JPRS-SEA-86-037 28 February 1986

## Southeast Asia Report



19980220 152

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AUSTRALIA

#### BRIEFS

HAYDEN 'DISTURBED' BY PHILIPPINE POLL REPORTS—The foreign minister, Mr Hayden, says the Australian Government is gravely disturbed about reports of irregularity and fraud in the Philippines presidential election. He told the House of Representatives the government noted with concern reports of an attack by what has been described as armed goons on an Australian team from Channel 7. But he added that the serious economic and social problems which affected the Philippines would not be fixed up by an election whatever the outcome of last week's poll. Mr Hayden said that as soon as the vote was concluded and reports by observers have been studied, the government would make a considered statement that would form the basis of Australia's future contacts with the Philippines.

[Text] [Melbourne Overseas Service in English 0830 GMT 11 Feb 86] /8309

BRUNET

#### BRIEFS

MILITARY EXERCISE PLANNED—Brunei will go on a "war footing" next month with the start of a major military exercise. It will involve about 3,000 soldiers of the Royal Brunei Armed Forces [RBAF] and the Gurkha battalion from Seria. The security forces will be operating in the Belait, Tuton and Brunei—Muara districts during the 2-week exercise which starts on 27 February. "All the land elements of the First and Second Battalions will be involved," an RBAF official said. These included the Rapier Air Defense Battery, Armoured Recce Squadron and the combat engineers. There would also be support from the Royal Brunei Air Force and the river squadron. The first week of the exercise will be in Belait and the remaining week in the other two districts. As in a previous battalion exercise, the Gurkhas will play the enemy. The RBAF said the operation, being mounted by the Directorate of Land Training, was to test the capabilities of all Brunei's land forces. [Text] [Kuala Belait THE BORNEO BULLETIN in English 26 Jan 86 [no page given] BK] /8309

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INDONESIA

ALL-OUT BID LAUNCHED FOR ITTO HEADQUARTERS SITE

HK090246 Hong Kong AFP in English 0244 GMT 9 Feb 86

[Text] Jakarta, 9 Feb (AFP)--Indonesia has launched an all-out assault to collect the votes which would make Jakarta the site for the headquarters of the International Tropical Timber Organization (ITTO), diplomats here said.

The campaign to bring the ITTO nerve-centre to the Indonesian capital is headed by President Suharto and Foreign Minister Mocktar Kusumaatmaja, with backup down the government ranks, they added.

Observers said that Indonesia wanted the vote to go its way, firstly because of the importance of timber to its economy, and also for the international prestige it would bring.

Standing in the way of Jakarta becoming the permanent home of ITTO are the Dutch metropolis Amsterdam, and the Japanese port of Yokohama.

ITTO, which is mainly involved in the research and development of tropical timber, is made up of 35 nations, either timber producers like Indonesia or consumers like the Netherlands and Japan.

The nature of the organization "makes it unnecessary for its headquarters to be in or near a world timber market center," explained director general of economic affairs at the Foreign Ministry, Atmono Suryo.

"It's a matter of principle," Mr. Suryo said, adding that Indonesia especially considered itself as having "the right" to be chosen as the permanent site, as it is a producing country, not a consumer.

With its vast tropical forests, second only to Brazil, Indonesia claims that the accessibility, size and rich varieties of its trees gave the country a distinctive advantage over other candidates, Mr. Suryo said.

The fight promises to be tenacious, as Amsterdam and Yokohama have also intensively campaigned for themselves and can already count on substantial votes from consumer countries.

But European Economic Community (ECC) diplomats here told AGENCE FRANCE PRESSE that European solidarity behind the Netherlands' candidacy could shift to Indonesia if it appeared that Yokohama was ahead.

The sources said that Europe, especially EEC countries, were unenthusiastic over the idea that Japan might win and would rather support Indonesia, a timber producer, if the need arose.

To get the nod, one of the three candidates must garner more than half of the 1,000 votes held both by producing countries and by the 19 consuming countries.

All three failed at last November's ITTO meeting which ended in a deadlock.

The main problem facing the Indonesian candidacy lies in gaining votes from consuming countries of which the Netherlands and Japan are part. Out of the 1,000 votes in this section, EEC countries hold 360 votes while Japan has 398.

Indonesia, diplomats here say, had notably intensified its efforts to gain more votes, as indicated by the many delegations sent to various countries in a bid to convince them of Jakarta's suitability for the headquarters.

Every Indonesian top official, with President Suharto to the fore, had utilized every possible opportunity in International forums to promote Indonesia as the permanent site, diplomats said.

Foreign Minister Mocktar had also approached the governments of the Netherlands, Belgium and Luxemburg while on a visit there last year. He is to follow this up during his trip to Washington and Tokyo later this month, Mr Suryo said.

The United States, a consumer of tropical timber, holds 93 votes which could prove crucial in the event that Europe decided to fall in behind Indonesia.

Another Indonesian delegation is currently scheduled to visit several African countries soon with the same aims in mind, before the next ITTO meeting in Geneva around May this year.

Although the Indonesian drive is gaining steam, the result is still wide open and as one Western diplomat here put it, the outcome will certainly depend on the question whether "the headquarters should be in a producer's country or in a consumer's."

/8309

INDONESIA

EASTERN INDONESIA FACES FOOD SHORTAGE DUE TO STORMS

HK111600 Hong Kong AFP in English 1455 GMT 11 Feb 86

[Text] Jakarta, 11 Feb (AFP)--Islands in eastern Indonesia are threatened with food shortages in the wake of storms that have battered much of the country since the middle of last month, the ANTARA NEWS AGENCY said today.

Worst hit has been the eastern half of Flores Island where one-third of food crops were destroyed, the provincial governor, Dr. Ben Mboi, was quoted as saying.

Damage to homes and government buildings in the eastern part of Flores was also extensive, and estimated at 200 million rupiahs (200,000 dollars), the governor said.

In West Timor, where the provincial capital of Kupang is located, 2,500 hectares of food crops were badly damaged, local officials said.

Gales of up to 60 kilometers (37.5 miles) an hour have been sweeping intermittently across various parts of the country in the past month.

Gale-force winds are again forecast for today and tomorrow in western and central Indonsia, the meteorological institute said yesterday.

/8309

MINISTER NOTES PROBLEMS, SUCCESSES IN MATERIALS SUPPLY

Vientiane PASASON in Lao 7 Dec 85 p 2

Article by Inkeo Savang, material and technical supply minister: "The Quality of Material and Technical Supply Work Steadily Improves"

/Excerpts/ The Ministry of Material and Technical Supply, which was set up in 1982, has succeeded in its political duty and has become increasingly strengthened in the transformation and socialist economic construction of our country.

In the beginning the material and technical supply system encountered many difficulties. The supply system was scattered with no center and without a plan, and how supplies were distributed depended on the way the Logistics Department made its demands. When there were materials in the warehouse we gave them all out, and when there was none there was nothing to give out. This was done without budgeting and without regard for sources or reserves. Organization was not centralized. Starting from the former material and machinery department and keeping to the idea of being self-sufficient, self-reliant, and self-strengthening, the material and technical supply company has expanded fairly rapidly and steadily. The ranks of the cadres have expanded by being tested early in the past. The number of personnel has increased by a factor of 1.6 over the number in

In terms of specialized tasks, the amount of strategic material from abroad accepted and sent into Laos has increased over that for 1981. In terms of base construction, the company succeeded in installing many fuel oil storage tanks and in constructing temporary oil pipelines, and the capacity for pumping and sending oil increased 5.91 times over that in 1977. It completed surveying and collecting basic data on the installation of a number of oil reservoirs in Laos and in the SRV. It completed the permanent oil pipeline survey and installed an oil reservoir. It began to produce 25-cubic meter oil tanks and completed 45 of them in 1985.

There has been a steady and effective expansion in foreign relations and cooperation, especially with fraternal socialist countries.

In economic management, we are continuing to promote economic accountability in applying new machinery creatively and responsibly. We made it possible for the subordinate companies to basically depend on income-outgo plans, financial plans, credit, profits, and losses. Meanwhile, they determinedly divided the managerial levels between the center and locality according to what had been approved in Resolution No 45/PSL. They have also promoted the economic and technical work scheules by actually carrying out the schedules for fuel oil consumption, the natural evaporation of fuel oil in transporting, receiving, and delivering, the warehousing system, etc.

After 10 years of work the Ministry of Material and Technical Supply has carried out its political duty and role according to the party's policy and the government's plan with determination. The ranks of the cadres and workers have expanded in terms of both quality and quantity, and material and technical management has advanced to centralism and a government monopoly. Order has gradually been brought to the managerial and distribution system. The amount of waste has gradually been decreasing. The standard of living for cadres and workers has been improving gradually. International relations and cooperation, especially with the SRV and the USSR, are marked by special solidarity, trust, and mutual assistance.

After the evolution of the organizing and carrying out of the party's policy and the government's plans, and also of the plans of the Ministry of Material and Technical Supply in each period, the Ministry, though it faces difficulties, is an important and increasingly firm foundation for the material and technical supply management. It has created conditions to facilitate the use of the new economic management machinery and to take part in national defense and the building of socialism. 9884/12276 CSO: 4206/49

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EDITORIAL: TRIBES SHOULD PREVENT THAI, PRC-BASED SUBVERSION

Vientiane PASASON in Lao 7 Dec 85 pp 1,3

/Editorial: "Organize and Make More Profound the Meaning of Tribal

/Text/ According to their tradition, each year at this season the Lao Mong, Yao, Ko, Ho, Thai Dam, Thai Deng, some of the Lao Theung tribes, and others happily organize their traditional festivals. This year, however, the festivals, which are the heritage of the different Lao races, have a profound meaning because they are being carried out in an atmosphere in which the Lao people of the whole nation have just completed their celebration of the 10th anniversary of National Day and are reinforcing the glorious spirit of 2 December. They are emulating each other to score new achievements in striving to make Comrade Secretary General Kaysone Phomvihan's speech specific to each work section and locality by organizing studies in many ways, so as to make this important speech understood by our people of all races, by all the Lao people

The increase in power of nationwide mass solidarity has always been the policy of our party. Because of our correct and brilliant policy, our people of all tribes have firmly united around the LPRP and have become one in the struggle for victories, and they have been advancing to new victories all along. However, because our country has not become an outpost for socialist countries, there are still the harmful effects of the divisions and hatreds among the tribes instilled by the feudalists and imperialists, causing some tribes to be quite confused. In addition, now more than ever the expansionists and hegemonists have been colluding with the imperialists in conducting a policy of animosity to obstruct and dismantle our revolution. They carry out an all-around destructive war by peaceful means, and they use military force to create tension along the Lao-Thai and Lao-Chinese borders. They use psychological warfare to create social and economic unrest. One of their dangerous schemes here is to take advantage of the backward culture of the peoples of some ethnic groups to incide, cause disunity, and create hostile feelings between tribes, between the army and the people, and between the people and their leaders as well as among the three nations in Indochina, etc. They hope to restrict and limit the progress of the new regime, and to destroy it, and to cause problems with the standard of living of the Lao people of ethnic groups and to create unrest in the ethnic Lao festivals.

Thus, in order to ensure that the festival days and the fine customs of our Lao races be conducted in a happy admosphere and with a profound meaning, the guiding committees at all levels and the administrative committees for the work sections must closely guide and take this opportunity to disseminate the correct and just frontline policy of our party ensuring equal rights for all races, mobilizing all races to unite, and promoting full creativity to make the nation prosperous. They should also mobilize the spirit of the soldiers, cadres, and the people of ethnic groups so they will be conscious, alert, and prepared to fight and resolutely carry out the two strategic duties of national defense and security and to build the nation.

Although a festival is for some of the people of ethnic groups, it is considered a festive day for all races nationwide and a way of strengthening solidarity among races that has always been a decisive element in our nation's life. Therefore, the Lao people of ethnic groups must unite and move forward with firm steps to carry out the sacred duty assigned by the party and the nation and to honor the Lao people of ethnic groups nationwide.

THAI BORDER DISTRICT NOTES SECURITY, ECONOMY DEVELOPMENTS

Vientiane PASASON in Lao 12 Dec 85 p 2

/Article by Viengsai: "The New Face of Sanakham District"/

/Excerpts/ Sanakham District is located in the northwestern part of Vientiane Province, which stretches out along the Mekong River. It shares a 97-km border with Thailand and has a population of over 22,800 in 8 cantons and 62 villages.

Under the old and rotten regime, there was a shortage of rice for 4 months every year. The rotten society was rife with gambling, prostitution, wild partying, opium and marijuana smoking was legion. The district became a market for distributing goods from the West. This was the main cause of the people's suffering and bitterness and for the extremely confusing situation in society at that time.

However, because of the correct and just policies of the LPRP and the attention, guidance, creativity, and outreach by the district party committees, under the new regime the grassroots party chapters and all levels of the revolutionary administrative committee and the people have become awakened and revolutionized step by step. They are happy and are constructing their new lives. This is shown in national defense and security work, in constructing the economy and raising the standard of living, and in education, culture, etc., all of which are making continual progress and are becoming stronger.

The outstanding issue in Sanakham now is that the national defense network has been expanded down to the grass roots. The people of all classes have done very well in participating in this task. They are able to fight against defeat, and dismantle the enemy's clever schemes and psychological warfare in a timely manner in all cases. There has also been a great victory in building the economy and in improving the standard of living. This is shown by the fact that sine 1980 this locality has been able to turn over a new leaf and has become self-sufficient and self-reliant in terms of food supplies. They sold their surplus to the government and also carried out their obligations to the nation as good citizens by paying thousands of tons in agriucultural taxes per year. This district

has become outstanding in terms of rice production in Vientiane Province. This is because of the change in the people's production from private, scattered, and nature-oriented production in previous periods to socialist collective production. There are now over 20 agricultural co-op units district-wide, and labor exchange units have been expanded into all the villages.

MONG DISTRICT SECURITY, AGRICULTURE PROGRESS REPORTED

Vientiane PASASON in Lao 13 Dec 85 p 2

/Excerpts/ Hom is one of nine districts in Vientiane Province, and it has been honored as a heroic district by the party and the government. It is located in the northeastern part of Vientiane Province, and shares its border with three other districts: Thoulakhom, Keo Oudom, and Saisomboun and also part of Bolikhamsai Province. Hom District has just been set up following complete national liberation. It has a total of 3,120 square km, and two-thirds of its total area is covered by forests and mountainous areas.

Its total population is over 16,000 and consists of 4 races: Lao Soung, Lao Kang, Lao Yao, and Lao Loum.

In national defense and security work, although Hom District has to confront a situation where the enemy is trying to propagandize the Mong people in order to bring about disunity among the Mong and other tribes, and where they hope to destroy the peace and happiness of our new regime, Hom District has been able to completely dismantle all their destructive schemes. It has been able to improve and train military forces to protect its own locality. It also works in cooperation with other military forces very well, resulting in peace and security in the locality. The people feel free to make a living in peace, and many new things have sprung up.

In agriculture and animal husbandry, in 1985 there was a total of 103 hectares in the entire districts a 70 percent increase over that in 1976. The total production is 226 tons of 2.2 tons per hectare. There are 4,769 hectares of hill farms with a production capacity of 1.5 tons per hectare. The total production is 6,253 tons; the average production is 6,480 tons per year and 406 kg of paddy rice per capita per year.

All that has been mentioned here has helped Hom District grow in all areas of work. It has been able to become a main base unit and chief of staff /as published/ for the higher echelon's organization. This means that Hom District has been improved and built up, going from having nothing to having enough, and from knowing nothing at all to having expertise. Hom District has been and will continue to be a good shelter to protect the people of the heroic races.

USSR, SRV-AIDED TIN, GYPSUM PRODUCTION DESCRIBED

Vientiane PASASON in Lao 13 Dec 85 p 3

/Article by Saitavingnan: "Results of Mineral Mining in Our Country."

 $/\overline{ ext{Excerpt}/}$  Since our nation was liberated, the party and the government have attentively improved and revived tin and gypsum mining with determination. The operation began in 1980 with aid from the USSR in the form of machinery, materials, equipment, and vehicles to be used for manufacturing tin in Hin Boun District, Khammouan Province; construction is expected to be completed 100 percent by the end of 1985 and will cost over 5 million rubles. When it is completed the factory will be able to take in approximately 500,000-550,000 tons for production per year and will obtain approximately 1,500 tons per year of ready-made tin after being manufactured. The gypsum factory in Savannakhet Province received aid of over 40 million dong from the SRV. The revival of the old machines and the installation of new ones are carried out from 1979 to 1980 and were completed in 1983. Comrade Phanom Phouthakeo, chief of the Lao Mining Company, told us that the company with a total of over 1,200 workers has gradually improved their standard of living and has increased and improved production. To ensure the workers' health the tin plant has a 40-bed hospital, and the gypsum plant has a 20-bed hospital. Each production division has a doctor. In order to upgrade the workers' knowledge and ability, the company has sent cadres and workers to study at home and abroad for both short- and long-term studies.

We have been producing at the same time while improving and constructing the factory. For example, in 1981 tin production was 255 tons: it was 302 tons in 1982, 359 tons in 1983, and 430 tons in 1984.

In 1981 only 40,000 tons of gypsum were mined, but because of the workers' struggle the total excavation was increased to 82,000 tons in 1984. The expected figure for 1985 is 110,000 tons. The yearly increase of the excavation capacity for tin is at least 18 percent on the average, and the increase for gypsum was 1.75 times over that for 1981-84.

#### U.S. COOPERATION WITH PRC VIEWED AS 'THREAT'

Vientiane PASASON in Lao 17 Dec 85 p 3

/Talk' column by Keo Souvan: "Where Does the Threat to Stability in Southeast Asia Come From?"/

/Text/ Toward the end of this year, military delegations of many imperialist nations visited Beijing. Of course, although there were some conflicts during the meetings between the chiefs of the military delegations and the Beijing leaders, this indicates to us that they were colluding for undesirable schemes.

According to a Western information source, on 5 November, while welcoming the British military delegation, /Zhang Aiping/, the Chinese defense minister, said: "China wishes to exchange experience and engage in military cooperation with the Western allied nations, particularly regarding army technical matters." In giving his views while meeting with the U.S. Air Force chief of staff, the Chinese minister said that "China agrees to open its door to welcome Western nations anytime regarding military cooperation..." In order to confirm the decision and to ensure that the United States would believe them, the Chinese defense minister invited the U.S. Air Force chief of staff to inspect all five of their air force bases, one of which is near the Vietnamese border....

Again, to confirm to imperialist circles that China is outstanding in its opposition to national liberation movements throughout the world and especially in Southeast Asia, when the U.S. vice president visited Beijing, seven Beijing leaders gave him a secret welcome. According to the Western source, "the meeting was conducted in a cordial and progressive atmosphere." The U.S. vice president said that the NATO members would assist China in every aspect, especially militarily, in order for China to fulfill its "four modernizations" project. Both China and the United States unanimously consider the USSR and national liberation movement their enemies.

The reason that the reactionaries in power in Beijing feverishly embrace their western friends is because of military cooperation and for military and warlike purposes. What is their true goal? In fact, military weapons from mainland China are being flown to the hands of murderers in different nations around the world, for example, the genocidal Pol Pot-Ieng Sary cliques and certain nations that intend to become tools for the Beijing expansionists and hegemonists.

Thus, whether it is said or not, everyone knows where the threat to the stability of Southeast Asia comes from, and who is the driving force in creating tension in this region of the world.

/12276

COMMENTARY SCORES REAGAN POLICIES, CITES GENEVA SUMMIT

Vientiane PASASON in Lao 18 Dec 85 p 4

Commentary: "How Does Reagan Keep His Word?"/

 $\sqrt{\text{Text/}}$  The joint USSR-U.S. statement in Geneva was in agreement with the actual behavior of the USSR on preventing the arms race from spreading to space, stopping the arms race on the ground, and limiting and decreasing the number of nuclear weapons in order to move towards increasing strategic stability. This would really satisfy the peace-loving nations of the world, especially the most recent announcement by the USSR on the withdrawal of the deployment of the SS-20 missile in Europe. This clearly shows that the USSR, which has always shown the world that it does what it says truly believes in peace. But if we read Ronald Reagan's statements in recent interviews in the Italian press he also repeated that "now every word must go hand in hand with the deeds and spirit of the summit between the two leaders at Geneva." This might cause all of mankind to have a very optimistic view of the world, but when it comes down to examining what the Reagan administration actually does, its actions are different from its words, and this creates great worry among the peace-loving masses of the world. After Canada, Denmark, Greece, Norway, France, and Holland announced they would not join the strategic defense initiative, which is really Reagan's "Star Wars" plan, the Washington administration came up with a plan to have its secretary of defense and secretary of state persuade its allies to join with their criminal war mongering plans. Britain recently became the first nation among the United States' allies to sign on with the Reagan administration's "Star Wars" plan. In the meantime Regan drew up a military budget of \$1,500 billion /sic/ in order to continue his "Star Wars" plan.

Reagan also gave his approval to a budget to build a large and important military base for \$9.2 billion in 1986, \$1 billion dollars more than the 1985 budget. Reagan also ordered the extensive deployment of missiles in Western Europe, for example, in West Germany, and in Japan the number of nuclear carriers visiting important ports has increased. In Latin America Reagan decided to aid the Somozan counterrevolutionaries with an additional \$27 million to resist the people of Nicaragua. In South Africa Reagan gave \$30 million to the UNITA reactionaries to resist the Angolan

revolution. Reagan has also helped the reactionaries in Afghanistan with \$500 million. In the Middle East Reagan is helping Israel carry out its expansionism by encroaching on and continuing its control over Arablands.

In Southeast Asia the Washington power-holders have not stopped helping and encouraging the Khmer reactionaries to resist the revival of the Cambodian people and to create tensions between ASEAN nations and other nations in Indochina. These actions of the Reagan administration not only deny the promise he stated at Geneva after the Soviet-U.S. summit but also violate the joint Soviet-U.S. statement and are also a direct threat against international peace and security and the peace of other nations. Based on these facts, the peace-loving forces throughout the world are more conscious than ever and strongly resist all the war mongering acts of the imperialists, for example, the "Star Wars" plan of the Reagan administration, for the sake of world peace and international stability.

#### BRIEFS

SOUTHERN DISTRICT SECURITY--Khong is 1 of 10 districts in Champassak Province and it is also the southernmost district, approximately 130 km from the provincial capital. It is a granary filled with an abundant amount of rice and fish, and it has the beautiful natural scenery of the Tat Don Phapheng waterfall. Along with economic construction and new production techniques, the outstanding work is defense and security. Since early 1985, along with organizing to guard and protect departments, offices, and organizations, the district defense and security command committee has also sent its cadres and combatants to mobilize the people in all the cantons and villages in the district so that the people of ethnic groups throughout the district will be able to see the new schemes of the enemies and become alert and better owners of the nation. During this period it went down to work closely with and to mobilize the people 13 times. Over 18,000 people attended. The committee organized and expanded the defense and security network districtwide. All this shows the profound outcome of the defense and security work. Previously this was a district to which the enemies sent in their spies to propagandize, incite, and cause disunity among the people and to create unrest within the local administrative committee. Under the organization and the leadership of the party, the command committee has attentively trained and guided their ideology and has helped the cadres and combatants clearly learn their duties and use the party's policies to mobilize the people to participate in national defense and security work. As a result, the enemies no longer are able to operate in the district, and Khong District is at peace. No enemy can come in ever again to ravage them. /Excerpts/ /Vientiane PASASON in Lao 7 Dec 85 pp 2,3/ 9884/12276

CSO: 4206/49

MALAYSIA

SARAWAK COMMUNIST LEADER SURRENDERS

Kuala Belait BORNEO BULLETIN in English 18 Jan 86 p 1

#### [Text] SARAWAK security forces have scored a major propaganda coup with the surrender of top communist terrorist Ubong anak Nuing.

The influential Iban leader, who had a \$4000 price on his head, is now under police guard and con-fined to Government quarters in Kuching.

Ubong, 62, who still commands an extensive following in the central Rajang area among Ibans who regard him as a hero with supernatural powers, is expected to be released in two months.

According to sources he surrendered three weeks ago near Kanowit and was escorted out of the jungle by Rajang Security Command (Rascom) Police Staff Principal Officer ACP Lawrence Lim

ACP Lawrence Lim.
With Ubong was his
son Serjin. It is not
known if others surrendered with him.

Rascom sources said the surrender was the result of a leaflet camresult of a leaflet campaign in June last year which offered Ubong and his son, among others, amnesty if they gave themselves up.
Ubong, a former Sarawak Ranger from Ngemah near Kanowit, went underground in

went underground in the mid-1960s with his wife, two daughters and a son and joined the North Kalimantan People's Guerilla Force.

In December 1976 his In December 1976 his younger daughter Bunyau, 20, was killed in a clash with security forces. His other daughter, Aju, was killed in the early 1980s and his wife is also believed dead dead.

In September 1976 Rascom put a price on his head — \$4000 alive, \$3000 dead.

Before his surrender

he was a party central committee member and Commander of the Central Rajang Area.

Central Rajang Area.
This second appointment was seen as a move to influence Ibans to join the fight.
Legend has it that Ubong possessed supernatural powers—bullets bounced off him

and he could make himself vanish when caught in danger.

Poor health and old age have been cited as reasons for his surren-der but friends say Ubong looks strong and tough and younger than his age. With his surrender

there are now believed to be fewer than 40 terrorists still in the Rascom area. Two months ago, four Chinese com-munists surrendered.

/8309

MALAYSIA

#### WORLD BANK GRANTS SOFT LOANS

Kuala Lumpur BUSINESS TIMES in English 17 Jan 86 pp 1, 22

[Article by Khalid Jaafar]

[Text]

THE World Bank is to provide Malaysia soft loans amounting to US\$300 million (M\$720 million) in the current year to part finance five development projects.

The loans are part of the bank's credit facilities to finance projects under the Fifth Malaysia Plan.

Two are for construction of infrastructure in Felda schemes and the west Johore integrated agricultural project, while the other three are for rural water supply, improvement of Port Kelang, and construction of primary and secondary schools.

The facilities are extended to Malaysia under the World Bank programme to help developing countries reduce poverty and improve the living standard of their population. The interest rate on such loans was reduced recently.

Sources told Business Times that each loan is repayable over 15 years with three years' grace period, and carries interest of 8.5 per cent, revisable after every six months. Disbursement starts on actual implementation of the projects.

Except for that involving construction of infrastructure in Felda schemes, details of the other projects are not available. The loan for the Felda project, amounting to US\$50 million (M\$120 million), will be used to support the development of about 105,000 hectares and to provide water supply to about 150,000 settlers in Pahang and Johore. The government will provide M\$116.8 million towards the cost of the project.

It is not known how much Malaysia is asking from the World Bank to finance development projects under the Fifth Plan. However, a source said that there is no limit to the amount Malaysia can apply for financing from the bank.

It will depend on Malaysia's budgetary constraints because World Bank financing of any project is usually partial.

The World Bank announced recently that it is reducing interest rates on most loans to underdeveloped countries. The reduction is the seventh consecutive one since the bank began lending at variable rates from July 1, 1982, when the rate was 11.47 per cent.

For the second half of last year the rate was 8.82 per cent.

The rate that the World Bank charges its borrowers is kept 0.5 per cent to one per cent higher than the cost to the bank

over the past six months? of its own borrowings since 1982.

Only five of the 40 loans Malaysia has taken from the World Bank to date will benefit from the reduced interest rate of 8.5 per cent, down from the previous 8.82 per cent.

Even then, savings from the lower interest charges will only be realised when the new rates become payable in June 1986.

/8309

MALAYSIA

#### WORLD BANK LOAN TO FIGHT POVERTY

Kuala Lumpur BUSINESS TIMES in English 20 Jan 86 p 1

[Text]

THE World Bank will allocate US\$200 million (about M\$480 million) to Malaysia this year to upgrade infrastructure programmes and reduce poverty in the country.

The vice-president of the International Bank of Reconstruction and Development (IBRD) for East Asia and the Pacific region, Mr Attila Karaosmanoglu, said yesterday the allocation is supplementary to an earlier loan allocation.

"In the previous year, the World Bank allocated about US\$100 million (about M\$240 million) to Malaysia," he told reporters on arrival at the Subang International Airport

He added the Malaysian government requested the additional loan to implement the growing needs of its infrastructure programme.

Mr Karaosmanoglu said the World Bank will concentrate on improving Malaysia's economy and its infrastructure programme as well as helping to reduce poverty.

"The World Bank has

"The World Bank has expressed interest in assisting Malaysia in achieving its Fifth Malaysia Plan targets and if possible we will try to maintain the same amount of allocation provided this year for the next five years," he added.

On the current economic slowdown, he said all East Asian nations are facing tough economic problems.

This is due to among others, low commodity prices and the difficulty to export to industrialised countries' market. Mr Karaosmanoglu is in Kuala Lumpur for a nineday visit. — Bernama

/8309

MALAYSTA

#### BRIEFS

NUCLEAR ENERGY ACTIVITIES—The nuclear energy unit in the Prime Minister's Department will expand its activities to cover the country's needs. Currently the unit is carrying out several services, including personnel and work coordination, the waste disposal management, and nuclear identification. The deputy director general of the unit, Dr Ahmad Sobri Haji Hashim, said the services given by the unit are aimed at preparing a safe and healthy situation for the people and environment. A bioacid laboratory will be established soon to fulfill the needs to observe the internal disposal. [Text] [Kuala Lumpur Domestic Service in Malay 1230 GMT 9 Feb 86] /8309

NEW ZEALAND

LANGE ACCUSES U.S. OF ABUSE OVER NUCLEAR SHIP ISSUE

BK110953 Melbourne Overseas Service in English 0810 GMT 11 Feb 86

[From the "International Report" Program moderated by (Collin Johnson)]

[Excerpt] New Zealand's prime minister, Mr David Lange, has accused the United States of abusing his country over its ban on port visits by nuclear warships. Both the new U.S. ambassador in Australia and the Navy secretary in Washington have been very critical of New Zealand in the past week.

(Brendon Burns) reports from Wellington on Mr Lange's response:

[Begin recording] [Burns] The new appointee to Canberra, long-time friend of Ronald Reagan, William Lane, gave his first news conference last week. He spoke of New Zealand being punished for being a bad boy with its antinuclear policies. Yesterday, Prime Minister David Lange said Ambassador Lane was the latest to indulge in what he says is constant American abuse of New Zealand.

[Lange] Well, it clearly is. Stories from Australia about how we are having to pay the penalty, and boy won't they know that they are going to have to change their policy. Well, it's awfully counterproductive from the United States' point of view. I mean it (?encourages) a very great deal of support for our policy.

[Burns] When asked if he thought the United States was trying to turn Australia against New Zealand, Mr Lange says that's hard to judge as differing attitudes to New Zealand's antinuclear policies have been expressed by American politicians who visited Australasia recently.

[Lange] I don't know, because it's so varied. (Stration) came here doing his political Rambo act, and Solarz came here and contradicted it. So it is hard to know. [end recording]

/8309

NEW ZEALAND

AIR FORCE CONSIDERING FRENCH HELICOPTERS

HK070701 Wellington THE EVENING POST in English 30 Jan 86 p 12

[By defense reporter Roger Mackey]

[Text] A low-key push to sell a French military helicopter to the RNZAF [Royal New Zealand Air Force] is getting a helping hand from the former publicity director of the Labour Party, Simon Walker.

A Company of the Company

Two Aerospatiale Ecureuil or Squirrel helicopters will be giving demonstration rides to selected guests at Wellington Airport tomorrow.

The demonstrations and a function this evening are being arranged by Mr Walker's company, Communicor, who work for Airwork (NZ) Ltd, the agents for Aerospatiale.

The demonstrations are part of a process of promotion by helicopter companies and evaluation that began two years ago when the RNZAF began to consider candidates to replace the Sioux helicopters.

The Sioux, of which the RNZAF has six, was designed 30 to 35 years ago and have been in use by the RNZAF for about 20 years. They are badly in need of replacement.

The RNZAF are looking for a possible 12 machines to do the same job as the Sioux--Army support helicopters.

The replacements are expected to carry more than the three people that can be carried on the Sioux. The new helicopters will also be expected to have armament of some sort.

The Sioux has never had guns and if the replacement is armed it will be the first RNZAF helicopter to be so.

The basic role of the new helicopters is expected to be that of low level Aero Scout with some personnel transport and fighting capabilities.

The French made Squirrel is considered to be one of the leading candidates. Any purchase decision is unlikely to be made for some time yet, so the current relations between New Zealand and France may not be a factor in the eventual decision.

Other candidates considered so far by the Air Force are the Bell Combat Scout and the Hughes 500.

Other companies such as Agusta of Italy and Westland of Britain are expected to take an interest in the opportunity as well.

Whichever is chosen, each helicopter is likely to cost around \$1,000,000 for a total bill of at least \$12 million exclusive of backup.

The Squirrel may not be the only candidate for which political consideration might cloud the decision.

Depending on the state of the ANZUS argument between New Zealand and the United States at the time of the purchase, there may be difficulties with purchase of both advanced avionics and armaments for an American helicopter.

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NEW ZEALAND

#### BRIEFS

STATUS ON TALKS WITH FRANCE--Despite the stalemate in the reparation talks, Prime Minister Lange said today he remained hopeful they could be resumed and New Zealand paid its compensation. He said Mr Fabius seemed to be saying what he had said for some time: The French interest is to have their two soldier-spies returned to their barracks. New Zealand had the force of logic and right on its side, but could not demand that France talk, much less get a judgment which could be executed giving compensation to New Zealand. International law was powerless to get France to return to the talks, he said. As he had said many times before, New Zealand could not take the issue to the world court as France had withdrawn from it when New Zealand beat it in a case on atmospheric testing in the Pacific a decade ago, said Mr Lange. Mr Lange said a decision had not yet been made on the proposal to hold a marine inquiry into the sinking of the Rainbow Warrior in July last year. [Text] [Wellington THE EVENING POST in English 30 Jan 86 p 1] /8309

PAPUA NEW GUINEA

KAPUTIN DEFENDS AUSTRALIA ON BORDER CROSSERS

BK310922 Melbourne Overseas Service in English 0830 GMT 31 Jan 86

[Text] Papua New Guinea's acting foreign minister, Mr John Kaputin, has praised Australia for supporting the Wingti government's new policy on Irianese border crossers. Mr Kaputin said Australian support was consistent and in line with its original stand to back the government of the day in dealing with border matters. The acting foreign minister was defending Australia against accusation by the opposition leader, Mr Michael Somare, who claimed this week that Australia had changed its approach to the border problem by supporting the new policy.

Mr Somare's accusations followed a statement by Australia's foreign minister, Mr Hayden, who described the Wingti government's policy as a significant step toward resolving the problem of the 10,000 Irianese now in Papua New Guinea. The new policy includes the involvement of the United Nations High Commissioner for Refugees in dealing with the border crossers and Papua New Guinea's acceptance of the United Nations convention on the status and treatment of refugees.

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PHILIPPINES

LETTER CRITICIZES AWARD TO USSR DIPLOMAT

Manila MR. & MS. (Special Edition) in English 17-23 Jan 86 pp 2, 3

[Letter to the Editor by Roy V. Salcedo, Tacloban City: "For Sale to Russians?"]

[Text]

On the night of 19 Dec. 1985, I learned that President Marcos conferred the "Sikatuna" award to a Soviet diplomat, whose name I failed to catch, for having allegedly promoted with success the trade relations between the Philippines and the USSR. This piece of information I learned courtesy of Sangyaw ha Alas-Siyete, a nightly news program of PR-TV-12 Tacloban whose administration seems to have held high the sword of Damocles on the heads of its news editors and newscasters, ready to fall should they ever fail to invoke "Romualdez" and "Marcos" at least three times in a day's work.

Incidentally, when PR-TV-12 (PR stands for Philip Romualdez) came into being, the two other TV stations in operation abruptly vanished from the Leyte picture. So the Leytenos no longer have a choice as to what channel to watch, and PR-TV-12 continues to relentlessly feed us with its crap.

When the U.S. government finally wisened up to the fact that Marcos is indeed the Philippine problem and not even "part of the solution to the problem" as earlier believed, not even Marcos' Reagan connection could help prevent the ensuing American onslaught against his

degenerate administration. First, there was the American expose of the Marcoses and their cronies' vast hidden wealth abroad. Then the U.S. serviceman's affidavit regarding the jet scrambling on the Aquino assassination case. The "suggestions" were personally delivered to him by Reagan's special envoy, Sen. Paul Laxalt. And then there are the IMF-WB conditionalities.

Sensing that he could no longer count on his previously dependable American support which used to prop him up through and through, Marcos Is now cozying up to the Russians. He has lately been exulting the Russians for being this and being that, and his First Lady now snipes at "Stupid America".

Quo vadis? After mortgaging us to the IMF-WB for \$30 billion, is Marcos now preparing to sell us to the USSR? (I thought he was scared of the Communists!). Perhaps, in the eyes of the President and his men, the Philippines and its 54 million people are nothing but commodities to be traded about, How sick!

PHILIPPINES

MR. & MS. REPORTS WIDE-RANGING SECRET LAND DECREE

Manila MR. & MS. (Special Edition) in English 17-23 Jan 86 pp 9-11

[Article by Bernardo V. Lopez: "The Secret Decree That Grants 1.5 Million Hectares of Land to KKK"]

[Text] Do you know that a million and a half hectares of land all over the Philippines have been allocated to the Kilusan Kabuhayan at Kaunlaran (KKK) Integrated Land Resource Management Program of the Ministry of Human Settlements (MHS)?

It says so right in Presidential Proclamation 2282 which is hardly known by the public since it has not been reported in the media till now. Promulgated on 29 March 1983, it was not until nine months later, in December 1983, that the decree was discovered by accident.

A group of Mangyans in Mindoro, aided by some Christian lowlanders, were applying for stewardship certificates at the Bureau of Forest Development (BFD) district office. To their surprise, BFD froze the applications outright. After some complicated investigations, the group finally discovered the reasons. Apparently, BFD froze all types of applications covered by PP 2282. Initially, no one could get a copy of PP 2282.

It took a complex chain of clandestine contacts in the maze of bureaucracy to get a photo-copy of the enigmatic and mysterious PP 2282, which finally surfaced after a month of probes. The few who knew about it were shocked and alarmed. For the ramifications of such a sweeping control of vast tracts of land involving the MHS's KKK program could easily render one-third of the entire Mangyan population in Mindoro of about 120,000 landless. They face potential eviction from their ancestral lands on such a staggering scale if PP 2282 is cited by any interested party using KKK projects as a pretext.

PP 2282 is one of the thickest proclamations on file--34 pages of survey data accompanied by a bible-thick set of detailed maps. It encompasses 1,502,246 hectares in 62 provinces of all regions. It covers almost the entire mineral-rich island of Marinduque.

Areas most affected are--Palawan (193,902 hectares); Bukidnon (107,148); Cebu (82,376); Quezon (35,599); Samar (28,324); Iloilo (22,258); and Leyte (19,541). The Proclamation does not spare ethnic and Muslim lands or rebelinfested areas.

Most of those who have seen PP 2282 concur that it is based on a very arbitrary survey with the author(s) unaware of what type of lands are covered in the proclamation and who are currently staying within those lands. (The Proclamation concedes this by stating: subject to future ground survey.) An MHS-made map of Mindoro revealed huge rectangular plots, some overlapping, some even claiming portions of the sea, within the domain of the KKK program. An observer labeled the surveys as "sweeping, random, and carelessly thought of." PP 2282 arbitrarily takes large chunks of rectangular-shaped lands of thousands of hectares, cutting across virgin forests, watersheds, and Mangyan ancestral lands in straight bee-lines. If drawn on a bigger mak, the entire Philippines will be checkered with KKK rectangles.

Lands covered by PP 2282 are declared as "open and denuded" or "logged-over" including virgin forests, productive kaingins of Mangyans and tribal settlements. Survey data all begin with words "Open and denuded areas covering..." The PP 2282 guidelines state presumptuously: "...the 1.5 million hectares of land previously identified as logged-over areas..."

An observer commented that portions of Mount Victoria in Palawan, reported by Tagbanuas as untraversed by humans since the American period, is now claimed by KKK as "open and denuded." These "logged-over" areas, which include already-productive kaingins, will be developed into "productive use." The guidelines also claim a separate 1.1 million hectares of "logged-over" lands claimed by the Ministry of Natural Resources (MNR), giving a total of 2.6 million hectares of lands claimed by the government (or 10 percent of the entire nation). This excludes figures from the third contingent, the Ministry of Agrarian Reform (MAR), whose claims may even dwarf the other two rival ministries together. There is a fourth small-but-aggressive agency, the Office of Muslim Affairs and Cultural Communities (OMACC, heir to the role of the defunct PANAMIN).

But why was PP 2282 kept secret from the public? A lawyer suggested that a probable reason was because it was obviously unconstitutional. Before the referendum for constitutional amendments in January, 1984, Marcos had no power to grant lands under the public domain, namely classified as "alienable and disposable" (A and D for short). The referendum precisely granted that to him by amending article XIV of the Constitution.

A not-so-unanimous YES prevailed for question No 4, the ramifications of which an alarmed Integrated Bar of the Philippines (IBP) repeatedly warned against before the referendum. Such a sweeping presidential power was dangerous, according to IBP press statements. PP 2282 was proclaimed in March, 1983 before the referendum in January, 1984. That was why it was branded as unconstitutional (for exactly ten months until the referendum made it legal).

Another probable reason why PP 2282 was allegedly kept secret is simply its highly controversial nature. It can easily draw protest from the public because of its coverage and control of land on such a stunningly vast scale, and its presumption that such lands are "logged-over." (It must be clarified that a decree (P.D.) and a proclamation (P.P.). are very different. A PD cites

Amendment No 6, the emergency powers in a state of crisis. A PP cites executive powers based on the amended article XIV of the Constitution.)

The only legal protection for people whose lands are covered by PP 2282 lies in eight words: "subject to private rights, if any there be..." This is good in that it concedes prior rights but it is bad in that it does not define these rights, making it more susceptible to loopholes and ambiguity.

When PP 2282 gradually spread, the first to object was the landed class. For PP 2282 covered a lot of the pasture lands, industrial tree plantations, and timber concessions of a privileged few. Through their connections with influential lawmakers and powerful bureaucrats, they were able to pressure the government to make BFD to come up with a counter-proposal to accommodate their vested interests. But who can fight for the interests of the minorities and peasants, and influence such secret bureaucratic maneuvers?

The KKK rationale, as reflected in the guidelines, is simple. KKK agribusiness is land, labor, and capital intensive. Land is insured by PP 2282, making MHS the "landowner" in the scheme. Labor is tapped from the farmers who are the KKK "beneficiaries." PP 2282 does not give the land to the farmers, they are merely looked upon as producers of labor that the investors need to achieve revenue. So many impossible conditions are tied up to the farmers' "acquisition" of the land. Finally, capital is hopefully drawn from KKK's policy of attracting big corporations, especially capital-rich transnationals. KKK has drawn up a scheme of selling "Kabuhayan shares" in its KSS program.

The KKK-PP 2282 scheme, a dangerously lopsided trilateral partnership of landowners, capitalist, and laborer, is a repeat of past controversial agribusiness activities of the government. An example is the government-endorsed Cellophil, owned by crony Disini, who skipped the country when it crashed, another example of capital flight that is fast becoming a major catalyst to our economic crisis. Cellophil was granted huge government concessions practically covering the entire Abra Province, agitating displaced Tingguians and Kalingas to join the NPA rebels. Another government caper is the vast palm oil plantations in Agusan del Sur of NDC-Guthrie, a partnership of the Philippine and British governments. NDC-Guthrie has displaced thousands of Visayan peasants, converting them from self-reliant semi-subsistent farmers into landless minimum-wage farm laborers or into NPA rebels. [The government's NDC (National Development Corporation) is the "landowner" in the scheme (like MHS in PP 2282)--by virtue of PDs 1939 and 2041 granting NDC 40,000 hectares in the Prosperidad area, which has today become rebel-infested. PD 1648 further established the controversial "NDC reservations" and PD 1766 reclassified NDC lands as A and D. Land-oriented decrees have thus preceded PP 2282 with very little objections from a public which is unsuspecting or unaware of such dangerous precedents in our jurisprudence.]

The PP 2282 guidelines claim that the KKK program is a "counter-offensive peace and order program" and "a gigantic reform effort by the government."

On the contrary, displacement of peasants and tribal minorities in favor of corporation-backed government ministries will induce insurgency. This obsession for World Bank-endorsed agribusiness, a vehicle for revenue of entrepreneurs rather than food for peasants, is fast becoming an agent of revolution rather than of national recovery. Food for native subsistence must always have primacy over food for exports even in an economic crisis.

The Intra-Ministry Committees. If some decrees in the past have been labeled as "secret," then the existence of intra-ministry committees unknown by the public and making decisions without public hearings or consultations is not impossible. In July, 1982, LOI 1258 was promulgated creating a "Committee on Reclassification of Public Lands" with representations from the giant ministries MNR, MAR, MHS (composing the land-acquiring triumvirate), MND (as the security force), and other smaller ministries such as OMACC. This committee simply aims for the "release and reclassification of lands of the public domain reserved in favor of national agencies," especially the KKK program. It states: "Whereas the government has launched a nationwide human settlements and (KKK) programs and other socioeconomic development projects aimed at the improvement of man which require the utilization and harnessing of lands as a basic component thereof."

It must be clarified that "reclassification" is one of the legal maneuvers employed in the game called land acquisition. For example, if one wants a big piece of land, he can, through connections, have it reclassified as forest land. The maximum for forest land lease is 1,000 hectares for individuals and a whopping 100,000 for corporations. Lands classified as A and D are limited to 24 hectares, but have an advantage of faster release (the smaller the land the faster the release) and the acquisition of a title, an indisputable proof of ownership. Forest lands, although large, are merely leased for long periods (25 years) and renewed once. In the same way, intra-ministry committees can easily reclassify land to fit their purposes and interests. And they can do this without public consultation or announcements.

The committee will presumably submit reports to Marcos about lands they have reclassified and allocated for themselves as a basis of future still-unnumbered presidential proclamations or decrees. LOI 1258 thus plays precursor to new decrees which will be even more ominous and dangerous in scope than PP 2282, as it may include lands claimed not only by MHS's KKK but also the rest of the triumvirate—MAR and MNR. LOI 1258 simply aims to avoid a war among the giant ministries over a huge pie called land, which the government has claimed as its own possession by virtue of its character of being "public." (It has been mentioned that Marcos will not sign any recommendation if one ministry objects.)

[Beginning of boxed item] One of the thickest proclamations on file, it covers 1,502,246 hectares, 62 provinces, and all regions in the country, cutting across virgin forests, watersheds, and ancestral lands in straight bee-lines. It was also once unconstitutional, until a referendum made it legal. [end of boxed item]

There is, in fact, a multilateral battle raging among the ministries. A sort-of "candy shower" has catalyzed a free-for-all. For in fact, three quarters of the nation is potential agribusiness land (according to OMACC) and the Marcos era saw the sudden and rapid "availability" of such lands. Bureau of Forest Development, for example, is insecure about its dwindling jurisdiction over forest zones being rapidly reclassified as agricultural areas for MHS and MAR. WIDA (Wood Industry Development Agency, the new-born and powerful logging agency) is also "stealing" lands under BFD jurisdiction. OMACC, the newly-formed heir of PANAMIN which instilled fear among minorities, hopes to expand its meager "collection" of real estate on the pretext of protecting tribal lands. MHS, of course, is totally feared by all the other ministries. OMACC claims that MHS "has practically swallowed all lands in the countryside" through PP 2282.

Another ministry labelled MHS as an "octopus" with far-reaching omnipresent tentacles. The "people's forest" program of MHS ("KSS," the distribution of Kabuhayan shares or equity), which is big-business-oriented, competes and overlaps with the "social forestry" stewardship program of BFD, which is small-farmer- and community-oriented. (As we went to press, MHS relinquished its program to BFD.)

Another not-so-known intra-ministry conglomeration is the "National Resettlement Survey and Review Committee" or simply the Committee on Reservations. An OMACC official reveals its glittering array of representations—MNR (plus its divisions BFD, Bureau of Lands, and Bureau of Soils), MAR, Ministry of Agriculture and Food (MAF), OMACC, and MND. This committee has the task of reexamining the present status of civil and military reservations, tourism and resettlement areas, and parks and wildlife sanctuaries. The committee accepts petitions of settlers, minorities, or corporations, handling land disputes of all types. This hints of vast "judicial" powers bigger in scope than land disputes reaching the Supreme Court. Of course, it "only" reports to Marcos, who makes the necessary proclamations based on its findings. BFD is again the devil's advocate in this committee, objecting frequently to decisions made by the triumvirate MNR, MHS, MAR, BFD claims that decisions are made without proper documented investigations or consultations of people affected.

Cloak-and-Dagger Governance. The rise of gargantuan ministries during the Marcos era exemplifies a rapidly-swelling bureaucracy, fuelling the spiral of government spending which related directly to our economic crisis in terms of catalyzing inflation and more foreign loans. Marcos then acquired legislative functions through decrees on the pretext of emergency powers in a state of "crisis" or on the basis of dangerously-amended constitutional provisions. These decrees, such as PP 2282, in turn give perilous trends towards enhancing the capability of monstrous ministries to conspire and make decisions in their interests without the knowledge of the public or of people affected by such decisions.

The vicious insatiable appetite of ministries to devour both money and land siphon the blood of peasants, farmers, tribal elements, and all types of small people to nourish a handful of native bureaucrats and foreign entrepreneurs and, of course, the burgeoning government. This capability to conspire is partly

neutralized only by intra-ministry jealousy and envy, exemplified by the legitimate belligerence of BFD or even OMACC.

To make it worse, on the pretext of counterinsurgency, this sinister cloak-and-dagger method of grabbing lands labeled as "logged-over," where people live and farm to survive, preaches "development" and "livelihood" for the people when the intent is really revenue for government and its chosen corporate cronies using the people as labor.

It advocates counterinsurgency when it enhances insurgency. If the heavens do not cry out for justice and vengeance, who will except the rebels? Yet the rebels are feared by the very people who forced them to be rebels. MM

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OPPOSITION WEEKLY REPORTS ON STATE SPONSORED DEATH SQUAD

Quezon City WE FORUM in English 14-20 Jan  $86\ p$  9

[Article by Task Force Detainees Philippines-Misamis Occidental: "Beware of the Cobra"]

[Text]

While the death penalty for subversion has been formally abolished by President Marcos "in the spirit of unity and national reconciliation," summary executions (or salvagings in military parlance) remain a much-abused practice of government troops and agents nationwide.

Task Force Cobra is one such state-sponsored death squad licensed to seize, maim and kill anyone who falls into their counterinsurgency dragnet. Last June thousands of residents fled their homes in Misamis Occidental, Northern Mindanao, as the Cobra's 2,000 men from the 9th, 18th and 51st Infantry Battalions (IB) poured into the province.

Seven people were salvaged in July (one of whom had been raped), bringing to 19 the total number of extra-judicial killings in Misamis Occidental this year.

The bodies of three youths were discovered in Sapang Dalaga last July 3 after their reported arrest in Lopez Jaena, Oroquieta City four days be-

fore by 51st IB soldiers. One of the victims was identified as Rene Cutad, a 19-year-old student from Dipolog City. His ears were reportedly sliced off and the blood used to smear anti-government graffiti on a bridge in Lopez Jaena. His companions sustained multiple stab and gunshot wounds.

On the same day two farmers were salvaged by a group of ICHDF paratroopers and 51st IB soldiers in nearby Calamba. Reports revealed that the two were used as guides, and subjected to torture before being killed. The bodies of Romulo Catiloc and Victorino Lorejo, both Calamba residents were recovered the next day caught inside a fishnet in the river.

Two people were knied and one seriously wounded during military operations of the 51st IB starting last July 30 in Dolipos Alto, Oroquieta. The fingers of 38-year-old Emilia Carreon's right hand were blown off when elements of the 51st IB stationed in Dolipos Bajo strafed her home. Rodolfo Capino, 23 of Tul-an, Oroquieta and Nena Eslit, 22 of Unidos, Plaridel reportedly surrendered while their companions allegedly ran out to the fields. Cash amounting to P2,000 was taken from Eslit's possession, sources revealed.

Barely an hour after a tortuous interrogation session, Capino was shot on the forehead in the presence of Dolipos Alto residents. Witnesses added that Capino's teeth had been knocked out from repeated blows of armalite butts.

Meanwhile, Eslit was brought to an abandoned house in Dolipos Bajo where more 51st IB soldiers were temporarily encamped. Residents narrated that they heard her incessant screams during the night and suspected that she was being gang-raped.

At daybreak on July 31, she was seen being escorted by a soldier to the river where she was forced to bathe and wash their clothes. One resident who was also doing her laundry recounted that she saw the soldier kissing Eslit and touching her private parts as well. With only a towel wrapped around her, Eslit was then dragged to an old, abandoned cargo truck. She suspected that Eslit was raped again before being brought back to camp at 4:30

On Aug. 1, 7 a.m. residents saw the scantily clad woman; so weak she could hardly move her feet, being taken by Sgts. Melchor and Ramirez to the far side of a nearby hill. Around two and a half hours later, the residents heard a gunshot from the area. The two sergeants returned to camp with the towel Eslit was wearing, but without their female

captive:

Attempts to locate Nena Eslit proved futile. The following day, Aug. 2 a half-naked, headless frame resembling that of Eslit was fished out of the Aloran River, some nine km. from Oroquieta City.

The exhumation of Capino last Aug. 21 confirmed the witnesses' accounts. A single bullet had entered through his forehead and pierced the back of his head.

"With this reality," said one farmer during the exhumation, "there seems to be little that unarmed civilians can do to rid the province of the venom that pervades it."

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WEEKLY REPORTS CAVITE OPPOSITION ACTIVITIES

Quezon City WE FORUM in English 21-27 Jan 86 p 10

[Article by Girlie Hubilla: "Cavite Cries for Change"]

[Text]

There's no denying that the province of Cavite, neighbor to the National Capital Region, is 'KBL country'. Since President Marcos took power, no oppositionist has ever gained the privilege to make a solid name for himself in that province's political arena.

Through the Marcos years, however, it's very evident that Cavite has struggled to be released from the grip of the well-entrenched KBL party.

In the last election, the seemingly impenetrable dominance of the province by the KBL experienced an initial jolt when four out of the 23 towns were conquered by opposition bets. In less than six months after taking their oath of office, however, these victorious oppositionists defected to the KBL, inexplicably shunning the original principles that had previously won the hearts of the electorate.

WE Forum motored to Cavite for a feel of the political climate. During talks with political leaders and educators in some areas, it was found out that old political leaders have joined forces with the youths, civic leaders and professionals in their desire for change. In some towns like Silang and Imus, school administrators and church leaders are actively participating in efforts to change the present leadership.

"Cavitenos wonder why it is only during elections that the government seems to be concerned with them. They question their sincerity. Bakit daw ba binubusog sila ng isang araw habang sa buong taon ay ginugutom sila?" said Florentino Bautista Jr., former mayor of Kawit.

Bautista, who served for three terms as municipal

"Kapag binigyan kami, tatanggapin namin. Grasya yan and they come only on election days," says a teacher

mayor (1968-1979) recalled that during the campaign period in the last Batasan election, Mrs. Helena Benitez, an independent candidate coalesced with the KBL, distributed cans of sardines and kilos of rice to attract more votes, especially in depressed areas of the province. He said Benitez unloaded these goods from some 20 trucks and were distributed in the thickly populated places of the 23 towns.

"Somehow, poor people have reasons to be happy during campaign periods especially right before elec-

tion. They get instant money, even acquaintances. People in the upper level of society temporarily stoop down to campaign for their friends and relatives running for the position. Cavite is not exempted from that old practice," Bautista explained.

He added that the presidential election on Feb. 7 will change the course of the Cavitenos. If by 2 cans of sardines, 1 kilo of rice and P50, they would vote not within the dictates of their conscience, "they should prepare for the worst," he said.

Pol Reyes, principal of Silang Institute, gave an honest opinion about the reception of the teachers of the Marcos-Tolentino ticket. He said that during the KBL's presidential campaign in Imus, Cavite, he did not see any sign of enthusiasm in the crowd, and if any, it was because they would like to find out how the First Lady looked like, or how beautiful her dress was.

Lolita Lara, acting principal of the Anabu II. Elementary School in Imus, confirmed these observations. "Walang pumapalakpak, siguro nahihiya, siguro hindi interesado. Probably they were also haunted by this question: For 20 years that President Marcos has been in power, never had he or the First Lady been here to listen to our problems, only now, again, when he is begging for another term did they bother to visit us here.'

On reports that teachers had been accepting bribes, Lara said that for 24 years she had served in elections, money sprouted anywhere. And teachers often took them.

"Kapag binigyan kami, tatanggapin namin. Grasya iyan and they come only on election days. But just the same, we do our duties with honest intentions," she explained.

She added: "The thought that we teachers will be used to commit frauds makes me shiver. It is very risky and I think that we will not risk our life and dignity no matter what."

Lara said the result of the coming presidential election in Cavite would be difficult to predict. "The votes in many households in Cavite are divided. The "olds" remain as Marcos loyalists while those with the new generation take the opposition side.

Reyes also told WE Forum that the stand of Cavite teachers is to rally against boycott. "Although we teachers are only supposed to influence academically and not meddle with the political affairs, we take our participation as a means of exercising our rights and performing our duties as responsible teach-

ers of Cavite."

Alfredo Jimenez, former vice-governor of Cavite, said that the growing strength of the opposition is seen by the increasing number of defectors from the KBL camp.

"It is true that we are facing an uphill battle against the KBL. They have a well-funded political machinery unlike the opposition which has to rely on help from concerned citizens. But it is not a reason for us to be discouraged. We are getting good score from

the people and I think that, it is now the KBL that is getting frightened," he said.

Jimenez, however, commended the impartiality of the military people in the province. During the opposition's campaign rallies, he said the military helped ease traffic and maintain peace and order. They did not interfere with the political affairs and did not intimidate or coerce opposition supporters, he attested.

Jimenez said that, in Cavite, people working hard for the dismantling of the KBL are disgruntled KBL members, those from the Katipunan ng Samahan ng Kagawad ng mga Sangguniang Bayan, and the united opposition.

"Whether the province would end up an opposition bailiwick like Metro Manila is presently out of the question. We are, however, firm to attest that we have begun the struggle and we hope to emerge the winner," he concluded.

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MILITANT UNIONIST CALLS FOR LABOR MINISTER'S RESIGNATION

Quezon City ANG PAHAYAGANG MALAYA in English 14 Jan 86 p 2

[Article by Joey Salgado]

[Text]

A militant labor group yesterday called for the resignation of Labor Minister Blas F. Ople for alleged abuse of authority and inability to perform his duties as the country's administrator for labor matters.

Roberto Ortaliz, secretary-general of the Kilusang Mayo Uno, said Ople appears to be "more preoccupied with the campaign blitz of President Marcos" and churning out anti-communist propaganda.

Ople, the KMU official said, has also busied himself issuing injunctions and assuming jurisdiction over labor disputes "involving firms owned by those close to the regime."

Ortaliz batted for a "competent person" to head the labor ministry.

"At times when workers' rights are wantonly violated, their economic uplift denied and their rights violently

suppressed, we need a competent and capable person to head the labor ministry," Ortaliz said,

He added: "It is saddening to note that Mr. Ople's present preoccupation and his arbitrary acts in issuing orders do not in any way serve the interest of the workers, much more a performance of his duly designated functions."

The KMU referred to the rash of clashes between strikers and company guards aided by policemen and military personnel at Cosmos Bottling Co. and Fortune Tobacco Corp.

In both cases, Ople placed the disputes under compulsory arbitration, and directed the unions to return to work.

"Such acts warrant no less than his immediate resignation from office," Ortaliz said,

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CRONIES COMPLICATE 2 BILLION PESO IMPORT INSPECTION DEAL

Quezon City ANG PAHAYAGANG MALAYA in English 14 Jan 86 p 6

[Article by Ma. Rosa Ocampo]

[Text]

Power brokers are scrambling for a government contract worth at least P2-billion yearly to monitor shipments of imported goods under a new scheme that will practically transfer the powers of the Bureau of Customs to a privately-run business enterprise.

Sources said Prime Minister Cesar Virata, in his concurrent role as finance minister, has thrown to Malacanang the choice of "pre-shipment inspector" among three interested foreign firms.

Each of the three, namely, Intertech Services International based in Fairfox, Virginia, Omnic of Japan and Calebrette of France, is reportedly backed by powerful groups with close links to Malacanang.

The pre-shipment inspection scheme will be adopted when the trade liberalization program takes effect this March.

The pre-shipment inspector will take charge of assessing the value of imported goods at the port of origin. The job of the Bureau of Customs, thus, will be reduced to that of being the collector of the taxes due on the imports.

The appraisers department of the customs bureau, reportedly the major source of graft and corruption in that office, will be eliminated.

Sources said that in foreign countries where the pre-shipment inspection scheme has been adopted, the inspecting firm usually charges one per cent of the value of imports.

The country imports slightly over \$6 billion worth of goods yearly. Excluding oil imports, which would be exempted from pre-shipment inspection, the value of the goods to be handled

amounts to \$5-billion.

This means a commission of \$50-million or P2-billion yearly.

Virata had actually chosen the prestigious Societe Generale de Surveillance (SGS), a Swiss firm, for the pre-shipment inspection job, but the appointment somehow got derailed in Malacanang.

President Marcos, through Letter of Instructions 1505, authorized the appointment of SGS on Dec. 23. Barely a week later, the appointment was "mysteriously" rescinded through LOI 1505 on Dec. 29.

Marcos cited "economic and security reasons" for the turn-

Sources said SGS was originally recommended by a high customs official who is said to be on his way out. The official, one of the young military men tapped to run a civilian agency at the height of martial law, has grown unpopular among the generals and his co-llocano crowd in Malacanang for purposely keeping his hands off politically-sensitive issues such as the Ver et al trial.

Sources said the people who blocked the appointment of SGS told Malacanang the Swiss firm abetted widespread smuggling in Nigeria.

READER REJECTS 'RED SCARE,' CPP-'STANDARD MARXIST' EQUATION

Quezon City ANG PAHAYAGANG MALAYA in English 14 Jan 86 p 5

[Letter to the Editor by Humberto B. Basco, Manila: "Red Scare a Hoax"]

[Text] The communism/insurgency yarn being peddled by the ruling party as a major issue in the snap election is simplistic and a hoax. It does not sound true and logical at all. It misleads and alarms the people. On the other hand, it squares with the falsity of Adolf Hitler when he said: "If you intend to stay in power all the time you must be prepared to tell your people the grandiest of lies."

Communism or insurgency under Philippine situation, cannot be compared and equated with standard Marxist communism practiced in other parts of the world and controlled by a strong communist party. The one pictured in the Philippines is endemic, legitimate and resultant effects of positive (though violent) grievance and dissent to an autocratic and dictatorial regime.

It is a pity that positive political activists are branded as communist insurgents. Likewise, adherents and sympathizers of such positive grievance and dissent, mostly rural folks and urban toilers, are branded the same. These simple people do not even understand what communism is! What they comprehend is that they live under a regime of extreme economic hardships, political and social inequities and military repressions. In a sense, ordinary people are as simplistic on their view as the ruling party candidates are on their (communist)

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RETIRED TEACHER REBUTS NPA 'HOMICIDAL' IMAGE

Quezon City ANG PAHAYAGANG MALAYA in English 15 Jan 86 p 5

[Letter to the editor, name withheld by request: "Ex-teacher Has a Good Word for NPA"]

[Text] I am a former public schoolteacher. Before my retirement from the service in 1983, I taught in barrio schools in Bataan and Pampanga, in what the New People's Army calls its guerilla zones. I thus have some familiarity with the NPA and its methods.

In the barrio in Bataan where I taught, among the first things I learned was that before the NPA arrived, a 7-man band of armed cattle rustlers held sway over that particular barrio and many adjoining ones.

The farmers could not leave their work tools in the fields or anywhere outside their houses lest these be stolen. And at night, members of families undertook sentry duty to guard their carabaos and cows. This proved to be no surefire guarantee that their livestock would not be stolen; on at least two occasions, the rustlers simply poked their guns at the "sentries" and walked away with their work animals. If one is not a farmer, perhaps one cannot appreciate the value of farm implements and work animals; these are indispensable to the farmers' livelihood.

When the NPA arrived at the place, they sent word to the cattle thieves that they were to stop their criminal activities immediately. The rustlers stole two more carabaos, boasting that they had connections with the local police. A final warning was sent to them by the NPA. They stole still another carabao and beat up the owner who had tried to resist. They also said they were prepared to fight if the NPA interfered with their activities. The NPA set up an ambush, killing two of rustlers and wounding another. The remaining rustlers disbanded after that. At least two reportedly fled to Manila.

In the ensuing period, the NPA helped the farmers organize and get a bigger share in the palay harvest from the landlords. In the negotiations with the landlords and their overseers, the guerillas harmed nobody. They merely stood by with their arms just in case the landlords had it in their minds to call in the PC or the

police to crack down on the farmers who, after all, were just asking for a fair share in the product of their toil.

I personally met the NPA guerillas a number of times and had some chats with them. Some were farmers, some were former college students in Manila. There was even a nurse in their group. They were uniformly civil and courteous, and were solicitous and helpful to the barrio people.

I met other guerrillas in my next (and last) teaching post in a barrio of Pampanga.

There were two cousins who were the terror in the barrio and even in nearby barrios. They specialized in extortion and robbery. When they were drunk, people stayed away from them because they beat up anybody who crossed them, even their relatives. Soon after my arrival in the barrio, they sent a barriomate to the hospital with a knife wound in the chest.

When the NPA got to the place, the guerillas talked to both of them, sternly advising them to mend their ways. They could start by cutting down on liquor, they were told. Instead of heeding the warning, they went to the PC and offered themselves as informers.

In the ensuing days, they caused the arrest, torture and imprisonment of two leaders of the farmers' association which the NPA had helped set up. They also guided PC patrols hunting the guerrillas.

Another warning was sent to them, through their families. They refused to reform and instead were more arrogant than before, especially when they and the soldiers were on drinking sprees.

Finally, in exasperation, their own families and the other barrio people asked that they be punished. They were so incorrigible that they were even threatening to expose members of their families to the PC. With the help of the barrio people, the two were captured and executed.

There was peace in the barrio after that. The people were saying it was as if a fishbone had been extracted from their throat ("parang nabunutan ng tinik sa lalamunan").

Later, upon my inquiry during one discussion, the guerrillas said that except in chance encounters with the PC when the situation is "kill or be killed," any other killing—as in the case of the two cousins—are referred to higher NPA command for close study. And in virtually all cases, repeated warnings are conveyed to the offenders. Not a few chose to reform and they were given "amnesty."

My personal observations bear this out, and the guerillas I met were not anything like the homicidal maniacs that Mr. Munro pictures them to be.

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## IRRIGATION ADMINISTRATION HEAD EXPECTS LESS IMF 'PRESSURE'

Quezon City ANG PAHAYAGANG MALAYA in English 15 Jan 86 p 7

[Text]

The International Monetary Fund is expected to soften its stand against the grant of subsidies to local irrigation projects.

National Irrigation Administration head Cesar Tech said that IMF pressure on the scrapping of irrigation subsidies is beginning to ease following a change in its perception of the basic role of irrigation systems in propping up in its perception of the agriculture.

Tech said that instead of the former plan to increase irrigation fees and, in effect scrap subsidies by basing collections on realistic expenses and investments, Prime Minister Cesar Virata has asked the NIA to conduct a study on the level of irrigation fees and the paying capability of farmers.

He said the study is expected to rationalize alternative means of amortizing loans obtained by NIA for irrigation projects without necessary impairing farmers' business viability.

At the same time, the NIA chief said he has prepared a pro-

posal to amend NIA's charter so that it my have the authority to convert into capital foreign loans to irrigation.

The charter amendments would also include the request to allow the NIA to have authority to compromise with farmers on payments of loans to facilitate collections.

At present, government irrigation charges per hectare on farmers are on the rate of two cavans of palay or cash equivalent per hectare during the wet season, and three cavans of palay or equivalent during the dry season.

In 1985, Tech said that the government withdrew the deductions it made on the release of equity contribution to NIA to cover amortization on foreign loans. He said this indicated a more considerate and softened stance towards government support for irrigation.

The NIA needs about P300 to P400-million yearly to undertake its irrigation projects, including

the completion, maintenance an and operation of existing ones.

Tech said the present thrust is to maintain and rehabilitate existing irrigation systems which cover 1.4 million hectares of crop lands

Last year, the NIA spent P1.5-billion for irrigation projects, of which P222-million represented the government's equity contribution to the public corporation. The amount financed irrigation systems covering about 30,000 hectares.

Tech said he was optimistic that the IMF and the World Bank would adopt a more considerate attitude towards the NIA to help improve its function in propping up farmers' viability.

The total equity contribution totalled P760-million including P168-million released in January 1984.

The equity released in 1984 out, of the P400-million ceiling amounted to only about P205-million. -PNA

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## MALAYA REPORTS AFP CIVIC ACTION PROGRESS

Quezon City ANG PAHAYAGANG MALAYA in English 15 Jan 86 p 9

[Text]

COTABATO CITY (PNA) - Only two years old, the Central Mindanao Regional Unified Command (RUG 12) has grown from an experimental force to a military set-up effectively coping with the exigencies of peace and progress in a region once beset with human conflicts of domestic and international concern.

Activated on Nov. 1, 1983 pursuant to Letter of Instruction 10/83 codenamed "Masigasig Bravo," RUC 12's first and current commander Brig. Gen. Cesar F. Tapia inherited from Brig. Gen. Jose P. Magno Jr. the Central Mindanao command (Cemcom), the first unified command ever formed in the country.

At the same time, Tapia was heir to forces that saw action in quelling the secession bid of the Moro National Liberation Front (MNLF) during the '70s' and the influx of subversion by the Communist Party of the Philippines (CPP) and its military arm, the New People's Army (NPA) along areas bordering Bukidnon, Agusan and the Davao provinces.

RUC 12 covers the provinces of Maguindanao, Cotahato, Sultan Kudarat, Lanao del Norte and Lanao del Sur and the cities of Marawi, Iligan and Cotahato, an arca of about 23,116 square kilometers popu-

lated by a rich culture of a mixture of Philippine tribal and dialect-categorized groups numbering 2.3 million people,

With majority of the population dependent on agriculture, fishing and other livelihood efforts needing the exploitation of the region's natural resources, RUC 12 has also found itself not only as a security force but also a potential partner of regional growth.

"Development can only be attained if the people are worry-free, if peace and order is maintained (especially in the countrysides) and if all sectors of society assist coordinatedly," Tapla said.

Thus, RUC 12 has stressed more of its responsibility on civil-military operations rather. Than combat, words of understanding rather than an exchange of bullets, planting and productive endeavors rather than spending for armaments, tolerance and compassion rather than elimination, he said.

With Cencom already having paved the way, RUC 12 began its first year with minor adjustments and transition.

On its second year, the command had continued to place enemies of the state under control making Region 12 one of the more peaceful areas in the country today, he said.

The command has

accepted the surrender of 185 MNLF rebels (as of last November) led by at least 9 high-ranking and foreign-trained leaders.

Of impact was the surrender of Mohamadali Dimanalao alias Commander Carding of the MNLF reformist group and his more than 104 men coming from the Cotabato, Lanao and South Cotabato areas last June.

Likewise, the RUC 12 has also earned back the confidence of 1,192 CPP/NPA members, supporters and sympathizers,

Tapia said the whole gamut of operations focused on civil-military activities.

Assistant chief of staff for civic-military operations Maj. Oscar Recentes said, "Soldiers must have the capability to lead a civilian life without necessarily casting aside their sworn vow to uphold the security of the state from both internal and external forces."

Thus, they are also kept abreast with development efforts of the government in Central Mindanao. RUC 12 had been made a member of the Regional Presidential Monitoring Office that looks into the implementation of government projects and programs in the area, Recentes said.

He added soldiers are kept busy, especially during moments of peace, with regular seminars, symposia, fora, civic

/8309 CSO: 4200/690 and military courses, disaster and relief operations and other activities.

The RUC 12 had participated in at least 126 baranggay assemblies. Simultaneously, it had conducted 27 civic action projects rendering free medical and dental services to 6,873 and 7,893 dental patients.

Soldiers have also found themselves donating blood, conducting mercy missions and distributing foodstuffs and other basic needs to thousands of people affected by both natural and man-made disasters.

Soldiers could also be builders, Recentes noted, Engineers have erected two three-room schoolbuildings in Maguindanao.

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NPA DISARMS BATAAN CHDF UNIT

Quezon City ANG PAHAYAGANG MALAYA in English 17 Jan 86 p 9

[Article by Greg O. Refraccion]

[Text]

BALANGA, Bataan — Some 60 armed men believed to be members of the New People's Army, most of them in fatigue uniforms, disarmed last Monday 7 of the 8 Civilian Home Defense Force men in baranggay Roosevelt, Dinalupihan town.

Col. Lorenzo M. Mateo, Task Force Samat commander, said that the rebels, believed to be operating in the northern towns of the province, took at gunpoint six carbines, a Garand rifle and several rounds of ammunition from the paramilitary men.

Considered by the military as the first daring operation of the subversives this year, the attack was over in 30 minutes.

Three CHDF men
Federico Retuya, Miguel
Manalastas and Jose Santos — were-used by the
raiders as hostages when
they fled towards a
thickly forested area
leading to Zambales.

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However, the NPAs freed the hostages unharmed when they sensed that no soldiers were following them.

According to Mateo, the raid was a well-coordinated plan of the NPA "agaw armas" or firearms grabbing units to acquire more firearms for their expansion activities in the province.

Several teams of Marines and PC soldiers have been dispatched to scour the mountains of Bataan and Zambales.

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ELECTIONS DELAY FOREIGN BANKS PURCHASE OF LOCAL BANK SHARES

HK071610 Manila BUSINESS DAY in English 7 Feb 86 p 2

[By Conrado R. Banal III]

[Text] The presidential elections have stalled negotiations on foreign banks' purchases of shares in local commercial banks, sources in banking said.

The foreign banks interested in buying into local banks want to resume negotiations after the election, to see whether or not their investments in the local banks would still be safe, the sources said.

Talk in banking is that if the public would perceive the election as dirty and dishonest, trouble may erupt in the streets. It is feared that such protest actions may escalate to serious violence.

As the banking system witnessed in 1983, after the murder of former senator Benigno Aquino, civil disturbance could be disastrous for some banks. Banks suffered "runs" that year as depositors withdrew money in panic.

Already, banks in the past few days had to service heavy withdrawals.

Apparently fearing civil disorder as an aftermath of the election, depositors want to have ready cash, a banker commented. "If there would be trouble, checks would be useless," he said.

While the foreign banks have shown keen interest in buying into local banks, they want to be assured that the situation after the election would not be damaging to the local banking sector, sources said.

Bank of Hawaii and Bankers Trust Co. — both American banks—have begun talks on stock purchases in two local banks. Bank of Hawaii is interested in buying into the government—acquired Commercial Bank of Manila (Combank), while Bankers Trust is planning to invest in Consolidated Bank & Trust Co. (Solidbank).

American Express has firmed up negotiations with state-owned National Development Co. on buying a 40-percent stake in International Corporate Bank.

American banks are the more aggressive among the foreign banks with exposures in the country. For instance, while many European banks are electing to transfer their credit risks to the Central Bank [CB] from the original private sector borrowers, American banks are trying to promote the use of trade credits among their correspondent banks here.

Bank of Hawaii, Bankers Trust, and American Express are even going a step further by attempting to convert their loans here into equity in local banks.

Sources in the CB said Bank of Hawaii and the Government Service Insurance System, owner of Combank, are still negotiating on the share prices of Combank.

Bankers Trust has already discussed with Solidbank a setup of management, sources said. They said Wilfrido Tecson, Solidbank president, will become chief executive officer upon finalization of the deal, while a list of prominent figures in banking is being considered for chief operating officer. Among them is Jose Cuisia Jr., who was president of Insular Bank of Asia and America before it was bought by Philippine Commercial International Bank.

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ROLE OF OFFICERS CORPS IN ELECTION EXAMINED

HK110650 Hong Kong AFP in English 0640 GMT 11 Feb 86

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[By Teodoro Benigno]

[Text] Manila, 11 Feb (AFP)—President Ferdinand Marcos' capability to hold on to power after a controversial presidential poll marred by allegations of widespread fraud will depend on the military officers corps' behavior, analysts said here today.

A cue from the United States--principal international patron of the Marcos regime for the past 20 years--could decide whether the officers continue to back Mr. Marcos or whether his support among the military crumbles, they said.

There have been many reports from witnesses that the military was firmly backing Mr. Marcos in the actual election on Friday.

Foreign correspondents reported that some troops and paramilitary civilian home defense forces threatened families with death if they voted for opposition candidate Corazon Aquino and also harassed civilian volunteers guarding ballot boxes.

Some correspondents said that they themselves had been threatened by troops wielding armalite rifles in some incidents.

According to witnesses, some of the provinces where troops reportedly used terror tactics were Cebu, Antique and Negros Oriental in central Philippines, central Mindanao in the south, Quirino, Ilocos Sur, Abra and Tarlac in main Luzon Island.

Colonel Mariano Santiago of the paramilitary constabulary appealed over the Roman Catholic-run Radio Veritas last night to the public not to condemn the entire armed forces, saying many military personnel remained loyal to the constitution.

The colonel, one of several officers who joined Mrs. Aquino's camp, hinted that there were a number of officers who condemned military participation in the alleged frauds. But he did not explain why they could not come out into the open.

Members of the military "Reform the Armed Forces Movement," which claims to represent 60 percent of the officers corps, and who said they would mount an election vigil were apparently paralyzed during the polls.

Analysts contended that many members of the corps were looking towards Washington for a cue, since many of them had undergone training in the United States, were pro-American, and had a strong affinity with the Pentagon.

If the White House should signal support for Mr. Marcos' victory, despite reports of widespread irregularities, the majority of the officers corps will remain loyal to Marcos, they say.

If Washington should distance itself from the Marcos regime because of postelectoral turbulance, this could split the officers corps with the pro-Marcos group, however, remaining in control, they added.

If the White House, prodded by possible anti-Marcos uproar in the U.S. Congress and continuing turbulence here, should take an anti-Marcos stand, the president's military support might just crumble, it is said.

The White House's concern over the Philippines stems from the presence here of the two largest U.S. overseas bases—Clark Air Base and the Subic Bay naval facility—which are the key to U.S. strategic dominance in the Asia-Pacific region.

In a pre-poll statement, U.S. Defense Undersecretary Richard Armitage warned that if the military participated in electoral rigging, there could be "massive civil" war in the Philippines.

He was referring to the mounting communist rebellion which—before the Friday's election—aimed at a "strategic stalemate" with government forces in three to five years.

/8309 CSO: 4200/689

## BRIEFS

AUSTRALIA SEES 'DEPRESSING' PROGNOSIS--Canberra, 11 Feb (AFP)--The Australian Government was disturbed by allegations of fraud in the Philippine presidential elections, but it was too early to pass judgment, Foreign Minister Bill Hayden said here today. Mr. Hayden also told reporters that "the serious economic and social problems which afflict the Philippines are not going to be fixed up by an election." "They will require the application of determined policies to bring about social and economic redistribution as part of a wide-ranging programme of reform," he said. The Philippines' problems would require a determination to confront entrenched interests, he said, adding that "unless a government is prepared to do that, I am afraid the prognosis is a very depressing one." [Text] [Hong Kong AFP in English 1012 GMT 11 Feb 86] /8309

CORN HARVEST EXPECTATIONS—The National Food Authority [NFA] does not plan to import corn this year because it expects there will be an ample harvest of the grain. NFA grains marketing director Ramon De Jesus said the expected corn harvest may reach 1 million metric tons and should be sufficient to fill the needs of the country's livestock dealers. [Text] [Quezon City Maharlika Broadcasting System in Tagalog 0400 GMT 1 Feb 86 HK] /12232

OPLE AVERTS TELEPHONE STRIKE—Labor Minister Blas Ople has stopped a threatened strike by telephone workers that would prevent the transmission of election returns tomorrow. Workers of the Philippine Long Distance Telephone Company (Free) Workers' Union and the Evangelista Telephone Union based in Angeles City, Pampanga, staged a walk—out soon after the KBL advance meeting. The workers did not report for night duty. They were protesting for rice grants and hazard pay to be given to work force of 10,000. Minister Ople, with the assistance of Deputy Labor Minister Carmelo Noriel, ended the walkout with a first arbitration order granting a P300 emolument. Hazard pay will also be granted to employees engaged in dangerous assignments. [Text] [Manila East Broadcasting Company in Tagalog 1000 GMT 6 Feb 86 HK] /12232

CSO: 4211/26

SINGAPORE

TAN CASE COULD STRAIN RELATIONS WITH MALAYSIA

HK091530 Hong Kong AFP in English 0711 GMT 9 Feb 86

[Text] Singapore, 9 Feb (AFP)--The forthcoming trial here of top Malaysian politician Tan Koon Swan could strain traditionally cordial relations between Singapore and neighbouring Malaysia, analysts said.

Fallout from the Tan affair has already produced a formal protest note from the Kuala Lumpur government.

Both governments--once partners in the Federation of Malaysia--were officially playing down the seriousness of the affair.

But it centered on an issue seen as ultra-sensitive in both countries: The role and relative influence of various ethnic groups in the two multiracial societies.

First reports said the protest note was sparked by allegedly tactless remarks by Singapore first Deputy Prime Minister Goh Chok Tong on the influence enjoyed by the Malaysian Chinese Association (MCA) as the second largest party in the government coalition in Kuala Lumpur.

But later reports linked the protest note more directly to the case of Mr. Tan, the millionaire Malaysian tycoon and MCA president who faces trial in Singapore in May on charges of abetment of criminal breach of trust, fraud and illegal stock market manipulation.

The recent reports said the note alleged improper conduct and disrespect shown by Singapore public prosecutor Glenn Knight to the Malaysian High Commissioner and to MCA cabinet ministers who came to Singapore to see Mr. Tan after his detention.

BERNAMA NEWS AGENCY, quoting unspecified sources said Mr. Knight had made "very insulting" remarks, which included a comment to High Commissioner K.T. Ratnam, an ethnic Indian, that he "thought only Malays" were appointed as ambassadors for Malaysia.

Mr. Goh, answering questions at a student forum in Singapore on possible Malaysian reaction to Mr. Tan's arrest, was quoted as saying: "The MCA is not in charge of Malaysia. If they were in charge and our water supply is cut, I think we will be in deep trouble."

Mr. Tan's arrest sparked demonstrations by MCA militants in several Malaysian towns and at the Singapore High Commission in Kuala Lumpur. At one point some called for a boycott of Singapore goods, while the Johor branch of the MCA asked Malaysia to cut off the water supplies to Singapore.

MCA leaders and members, complaining that Mr. Goh had belittled their party and implied it had no power in the Malaysian Government, took the matter up at cabinet level where the decision to deliver the protest note was taken. It termed Mr. Goh's remarks as interference in the internal affairs of Malaysia.

Political observers here said that the protest note was clearly a show of support for the MCA by the Malay-dominated 11-party coalition government.

"The election of Tan Koon Swan as president of the MCA last November by a thumping majority after 20 months of in-fighting, clearly showed that he has charisma and following," one businessman said.

"He is clearly the most powerful Chinese leader to emerge in Malaysian politics after more than two decades. The Malaysian cabinet is aware of this and they wasted in time in coming to the rescue of MCA."

One political observer said: "The whole affair is related to the case against Tan Koon Swan, and his trial is going to work up feeling in Malaysia, particularly amongst the Chinese, where emotions are already running high."

"The case itself can take up to two years and the publicity is not only going to fan emotions but also contribute to the worsening of ties," the observer said.

The Malaysian public, especially MCA members and supporters, are eagerly awaiting the Singapore reply. The present "silence" is not going to help Malaysian leaders, expected to face general elections this year, and it is viewed as a further insult to the MCA.

A Malaysian observer summed it up by saying: "I would not attach much importance to the protest note although it has some significance. What is more important is in the future—the trial of Mr. Tan, the wide publicity it is going to generate here (in Malaysia), the verdict, and what follows next."

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CSO: 4200/682

THAILAND

NAEO NA CRITICIZES U.S. FOOD SECURITY ACT

BK071045 Bangkok NAEO NA in Thai 7 Feb 86 p 4

[Editorial: "The United States Is Hurting Its Friend"]

[Text] The U.S. Government's intention to help its farmers has turned out to be something which hurts its friends.

The U.S. Congress recently passed a bill, the Farm Bill, to improve the lot of American farmers through better control of farm products. The bill was signed into law by President Reagan and is called the Food Security Act now.

The purpose of the act is to help farmers by controlling agricultural production and improving exports of American farm products. The U.S. Government will budget about \$52 to \$115 billion to subsidize farm products during the 5-year period of implementation of the act. The subsidy for exports will be over \$13 billion, or about two thirds of Thailand's GNP or more than double Thailand's per capita income in agricultural sector. A major target of the act is to snatch rice markets from Thailand.

Such a huge sum of money will certainly put Thailand into difficulty. The U.S. Department of Agriculture has already made known its intention of competing with Thai rice on the world market because, according to it, Thailand subsidizes its rice exports. This reasoning is not plausible in view of the U.S. commitment to Thailand in terms of political and economic security.

U.S. pressure will only hurt the good relations between the Thai and U.S. Governments and peoples. As the United States is a bigger country in terms of natural and financial resources, it attitude cannot be interpreted by the Thai people as anything but an act of bullying by a big country against a small country.

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CSO: 4207/165

NAEO NA CALLS FOR REVISION OF FOREIGN POLICY

BK101113 Bangkok NAEO NA in Thai 9 Feb 86 p 4

[Editorial: "Revise the Foreign Policy"]

[Text] Thai exports have encountered all sorts of problems from foreign countries ranging from tax barriers, import quotas, and other regulatory restrictions. Meanwhile, the United States has come up with protectionist measures including the Jenkins, Thurmond, Anderson, and farm bills which were all designed to promote trade between the United States and foreign countries. The U.S. farm bill alone is expected to cause Thailand to lose its world rice market share of 1.3 to 1.5 million tons annually.

Thailand's fishing fleet, one of the world's three biggest fleets in terms of both size and capabilities, is being barred from the neighboring countries' fertile waters. Thailand is confronting problems from all sides and must struggle for survival.

So far, Thailand has resorted to negotiations to seek sympathy from its trade partners with support of the existing conditions of international politics to avoid bargaining. Last year saw some improvement in this area when Thailand started using lobbyists to alleviate the country's economic difficulties.

The administrators should now revise and synchronize the country's foreign and trade policies to ensure that the Foreign Ministry and other government agencies in charge of economic affairs work in harmony. Thailand can expand trade with socialist states to increase its bargaining power in dealing with the United States instead of tailing after it blindly.

As for the Indochinese countries, Thailand has been posing itself as their enemy and is the only ASEAN member that carries the heavy burden of feeding and sheltering Indochinese refugees as the result of its own political and military wrangles with those countries. Meanwhile, the other ASEAN colleagues only play the role of Thailand's supporters. They will never share any of the adverse consequences with Thailand. Singapore even takes the opportunity to trade with the Indochinese nations, and many Singapore trade delegations were sent out to pave the way for expanding trade with them. Thailand is the only country that has been behaving as a faithful lackey of the United States at the expense of its own economic interest.

This is a big issue. The military and officials of the Trade and Foreign Ministries should hold a seminar to readjust the country's policies to prevent other people from taking advantage of us. Thailand is a poor nation and should struggle for its own future.

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THAILAND

DAILY DISCUSSES EFFECTS OF U.S. 'PROTECTIONIST BILLS'

BK101326 Bangkok THAI RAT in Thai 9 Feb 86 p 3

[Editorial: "The United States Is at Its Wit's End"]

[Text] The United States, regarded as a big power and a political, economic, and social leader of the free world, must pay attention to its allies, which are gradually disassociating themselves from it. Thus, its movements, whether in the political or economic spheres, will without doubt affect it allies.

We raise this topic when the socialist block is campaigning to find more allies and the allies of the United States are beginning to doubt U.S. sincerity, inasmuch as the United States has taken a lot away from the underdeveloped or developing countries through its enactment of protectionist bills. Even now it is drafting a bill to support its farmers even though less than 5 percent of the American people make a living from farming. The United States does not consider the impact of such legislation on other agricultural countries such as Thailand.

Nobody complains if a government of a country enacts a law to protect the interests of its own people unless the law will do more to adversely affect other countries than to benefit the people in that country. This shows that a country that is trying to find more allies still tries to secure the interests of its own people first. Two recent examples are the Jenkins Bill and the enactment of a bill designed to help the U.S. farmers—the "Farm Bill."

What are the reasons behind this? The United States, a wealthy country, would of course help its farmers in order to reduce production costs or maintain prices at a low level so that it can export products to compete with other countries that have similar products. Countries that still use low-level technology or are still poor cannot support their farmers and have to depend on world market prices or will be unable to compete in the market and will collapse at last.

Is the United States at its wit's end and must it seek all the advantages? Will its allies continue to stick to the United States? These are questions for the authorities concerned who must look after our interests as much as

possible. When the United States lets its allies struggle by themselves, we are not sure whether the other side, which is seeking political and economic opportunities, will gain influence over those countries.

"The Farm Bill," designed to help U.S. farmers, includes a list of commodities for promotion. They are rice, wheat, maize, honey, sugar, soybeans, peanuts, cotton, wool, and cattle, all of which are the lifelines of the agricultural countries in Asia, including Thailand. We will discuss the aspects of this problem that affect Thailand and how Thailand should prepare itself.

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THAILAND

THAT RAT COLUMNIST URGES 'TOUGH ACTION' WITH U.S.

BK101059 Bangkok THAI RAT in Thai 10 Feb 86 p 5

[Nakhon's column: "Kill Your Dear Friend"]

[Text] I happened to be present when Kowit Sitalayan invited Prok Amaranan, former deputy commerce minister and former Thai ambassador to Washington, to speak during a luncheon at Pa Pa Wiphawadi Restaurant. Prok told us that besides the Jenkins and farm bills, there are hundreds of similar protectionist bills pending U.S. Congressional deliberation. All of them could have a detrimental impact on Thailand's foreign trade, especially agricultural exports.

This really sounds frightful.

At this point, I think the government should stop and review its attitude and relations with the United States. Although we are only a U.S. lackey (if we dare accept the fact), we should have our dignity.

At present, the U.S. farm bill is killing us. The U.S. legislation was designed to enable U.S. rice, maize, wheat, honey, soybean, peanut, cotton, wool, animal and dairy products to be more competitive in the world market and shows that the U.S. Government will resort to all methods to seize other countries' market shares. Thailand's rice trade will be the worst hit by this act. If the United States decides to compete with us in the rice market there is nothing we can do.

I do not think that we should simply ask the United States to drop such a law because it too has to defend its own interests.

However, we can make use of our friendship and our being a good lackey to talk to the United States and tell it not to bother with our major rice buyers since there are many other countries it can sell its rice to. Otherwise, we will have to stop our association.

The government has reportedly sent a delegation led by permanent Secretary for Commerce Wichan Niwatawong to the United States for talks with U.S. officials on this issue. It is unlikely that the delegation will return successfully since the issue is probable too big for an official at the permanent secretary level to handle.

It is time that everyone put their heads together to factually and rationally explain to the United States the calamity that we are likely to suffer.

As Khun Athit [General Athit Kamlang-ek] is paying a visit to Hawaii, the government should have instructed him to ask the military top brass there to convey the message to their government and tell them that if we cannot sell our rice, we might not be able to make the installment payments for our F-16 aircraft.

Members of the House of Representatives and Senators should visit the United States during the parliamentary recess to tell the U.S. Congressmen about our life and death problems.

All people such as Khun Saiyut Koetphon and Khun Kriangsak Chamanan who are acquainted with people within and without the U.S. Government should be required to help the country in this regard. However, Khun Kraingsak might not be able to go to the United States now because he still has some important things to do in the country.

Guru M.R. Khukrit Pramot too should go to talk to his friends like Marlon Brando since U.S. movie stars might be able to influence an old movie star like President Reagan.

"Pa Prem" should make another trip to the United States.

If all of these attempts fail, we might take the next step--calling Thai Ambassador Kasemsamoson Kasemsi back to Bangkok for consultations while politely telling U.S. Ambassador William Brown to go back to the United States and rest for a while.

Such tough action is necessary.

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CSO: 4207/165

THAILAND

TRADE TALKS WITH JAPAN VIEWED; 'BUY THAI' URGED

BK111327 Bangkok Domestic Service in Thai 0530 GMT 11 Feb 86

[Article: "The Thai-Japanese Trade Talks"]

[Text] Dear listeners, almost every government from the past to the present have tried to find ways to solve the trade deficit with Japan since the country has suffered a trade deficit with Japan for many years. Although several rounds of negotiations had been held by both the public and private sectors, no satisfactory results have yet been achieved. The answer we frequently hear is that Japan is insincere and often takes advantage of Thailand. As a result, the present government drafted a white paper containing details of Thai-Japanese trade and pointing out the huge trade deficit. With the evidence clearly put forward, Japan seems to be paying more attention to the issue in Thai-Japanese trade talks such as the 6th meeting of the Thailand-Japan Joint Committee on Trade.

Here is how people prominent in economic circles view the meeting: On Japan's sincerity towards Thailand, the commerce minister pointed to the example of Japan's maize purchasing. Japan set an import target of 14 million metric tons of maize for 1986 but will buy only 40,000 metric tons, or about 0.002 percent of the planned imports. Japan is buying 11 million metric tons from the United States and 3 million metric tons from China.

The secretary general of the Board of Trade said that the Japanese market is highly competitive and lucrative. But its internal structure is complicated. Besides, there is a problem of standards which are set higher than normal and cause a considerable problem for Thai products. As a result, bilateral trade depends on Japanese cooperation.

The secretary general of the Executive Committee of the Board of Trade said that the atmosphere of the meeting was good, but he warned that we should not be too optimistic about the results of the negotiations because Japan is very clever in dealing with others. If there is no real benefit for its economy, it will not respond. It is impossible that this meeting will solve the Thai-Japanese trade deficit, and we will continue to suffer a trade deficit with Japan. However, he said that there is still the possibility of progress toward solving the problem and expanding exports to third countries which Japan agrees to help us so since it know the markets and their demands and has networks throughout the world. [as received]

These are the views of prominent people in Thai economic circles from both the public and private sectors on the Thai-Japanese trade talks have shown improvement. We should not be too hopeful. All countries try to protect their own interests. Will the trade talks yield good results? We are the opinion that Japan should try to solve problems sincerely and not negotiate by setting conditions. Japan has always claimed the matter of standards when it is urged to relax import restrictions as we have tried to improve our agricultural products.

Looking at the purchases of Thais, a lot of them still like to buy foreign products. This is a major cause of the trade deficit. We should try to buy more Thai products because it will not only help halt the outflow of currency and solve the trade deficit but will also help manufacturers create more jobs and eventually help solve the unemployment problem.

Dear listeners, the government's trade talks to reduce the country's trade deficit are important. We should stop the trade deficit. The best way to effectively reduce the deficit is for all Thais to start buying and using Thai products. We should be as good as our word in carrying out the buy Thai campaign.

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RADIO BROADCASTS PROTEST NOTE TO LAOS

BK071421 Bangkok Domestic Service in Thai 1200 GMT 7 Feb 86

[Text] The Foreign Ministry today issued an aide memoire protesting the violation of Thair territory in Ubon Ratchathani Province by Lao soldiers. The following is the aide memoire:

- 1. On 1 February 1986 at 2200 [1500 GMT] a group of about 15 Lao soldiers crossed the border in a row boat into Thailand's Ban Na Muang, Tambon Na Muang, Khemarat District, Ubon Ratchatani Province. They fired on the village of Ban Na Muang for about 10 minutes using B 40, B 41, M 79, and AK 47 weapons. Three houses and a rice barn were set ablaze. Five people were killed and five others wounded. The Lao soldiers then recrossed the Mekong River into Laos.
- The Thai Government condemns the border violation and criminal act committed by the Lao soldiers. The Thai Government holds the Lao Government responsible for the violence and damage to life and property of Thai people. The Lao Government must prevent similar incidents.
- 3. What happened clearly demonstrates that Laos is not sincere in promoting good relations with Thailand. Thailand alone is trying to improve mutual relations by avoiding clashes at the border, forging good understanding, and encouraging local-level contacts. Laos' action is contrary to its statement that Laos wishes to promote friendship and cooperation with Thailand. Moreover, it shows that Laos persists on using force and violence to achieve its policies.

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CSO: 4207/165

THAILAND

222 LAOTIANS ARRESTED FOR ILLEGAL BORDER CROSSING

BK120123 Bangkok THE NATION win English 12 Feb 86 p 5

[Text] Hong Khai--Two hundred and twenty two Laotians were arrested for sneaking across the Mekong River from Laos into this border province over the past six months while the long-delayed plan to repatriate them into Laos is still pending.

An informed source told THE NATION that most of the 222 illegal immigrants entered the Muang and Ponepisai districts on the Thai border dirng July 1985-Jan 1986. Some 103 Laotians have reportedly arrived in Muang District, where the smuggling of goods has been frequently reported.

"Moreover, Laotian officials, stationed opposite Muang District, have received bribes from the illegal immigrants in exchange for their passage into Thailand. The practices result in the increase in the number of Laotian refugees," the source said.

Of the 222 Laotians who were arrested immediately after stepping on Thai soil, 176 have been sent to Na Poh refugee holding centre in Muang District, 43 were awaiting repatriation to Laos while the three others are being interrogated by Thai authorities.

The source said Vientiane had earlier agreed to the repatriation of the 43 Laotians to mark its 10th anniversary which fell on December 2, last year. But it later refused to accept the refugees and instead demanded Thai provincial authorities to provide more details about them, the source said.

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CSO: 4200/696

GABON TRADE MISSION CALLS ON DEPUTY MINISTER

BK130325 Bangkok BANGKOK POST in English 13 Feb 86 p 3

[Text] Diplomatic missions are to be established between the Republic of Gabon and Thailand.

The Thai mission in Nigeria will also be accredited to Gabon, and the Gabonese envoy in Manila will be accredited to Thailand.

Deputy Foreign Minister Arun Phanuphong yesterday met members of a Gabonese delegation led by George Issembe, special adviser to the Gabonese president.

Mr Issembe said formal diplomatic ties had existed since 1966 but the geographical distance precluded close contacts.

However, the private visit of President El-Hadj Omar Bongo to Thailand last November prompted moves towards establishing closer direct contacts in commerce, economics and culture.

Mr Issembe said the main purpose of this visit was trade talks with the aim of setting up a direct purchasing agency here to take over from a third country.

Gabon, an OPEC member, is interested in buying rice and textiles and in acquiring technical assistance in the development of agriculture and construction.

The mission will hold talks with executives of the Association of Thai Industry, Thai Textile Industry Federation and Bangkok Bank and will visit several factories.

Gabon has no direct trade relations with other Southeast Asian nations as most trade is carried out through a third party.

The Central African nation's major industry is oil products, and chief crops include cocoa, coffee, peanuts and palm products. Its mineral resources including manganese, uranium, gas and iron.

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cso: 4200/696

INDIAN OFFICIAL DISCUSSES CAMBODIA WITH SITTHI

BK130259 Bangkok BANGKOK POST in English 13 Feb 86 p 5

[Text] Vietnam is sincere in its intention to withdraw from Kampuchea, an Indian External Affairs official told Foreign Minister Sitthi Sawetsila yesterday.

External Affairs Secretary Ayilan Pacehapakesa Venkateswaran to ACM [Air Chief Marshal] Sitthi India believed Vietnam wanted to withdraw its troops before 1990 and possibly by next year.

Mr Venkateswaran, who arrived in Bangkok yesterday for a five-day visit, will also meet permanent secretary Asa Sarasin to prepare for a visit by the Indian Deputy External Affairs Minister.

Deputy Foreign Minister Arun Phanuphong said Mr Venkateswaran and ACM Sitthi discussed Kampuchea, economic and tourist issues for about an hour.

The Indian external affairs secretary told ACM Sitthi Vietnam wanted to develop its economy and although Bangkok and New Delhi took different views on the Kampuchean issue, both wanted a peaceful political settlement.

Mr Venkateswaran said Vietnam feared China would exert strong influence on Kampuchea once it withdrew its forces.

ACM Sitthi said based on his talks with Beijing leaders, it was apparent that China did not want to exert any influence over the country.

On other issues, Mr Arun said the Pacific Basin concept was dicussed and ACM Sitthi told Mr Venkateswaran that concrete progress may be ten to  $20\,$  years away.

The Foreign Minister said ASEAN needed to become stronger so that its unity would not be affected by developed nations such as the United States and Canada and the newly industrialised nations such as Taiwan and South Korea.

With regard to tourism, ACM Sitthi raised the question of India developing tourism on islands in the Andaman Sea close to Phuket. Thailand suggested that both countries would benefit if arrangements could be made for tourists to visit both Phuket and the Indian islands.

WITNESS SAYS KEY SUSPECTS FORCED TO JOIN COUP

BK071012 Bangkok BANGKOK WORLD in English 7 Feb 86 pp 1, 2

[Text] Deputy Supreme Commander Gen Bunrit Thanthranon, a state witness at the September 9 abortive coup trial, this morning told the Criminal Court that five key suspects were forced to join the coup.

He also said that the real coup leader was Col Manun Rupkhachon, now self-exiled in West Germany.

The five key suspects are former prime minister Gen Kriangsak Chamanan, former supreme commander Gen Soem na Nakhon, former deputy army chief Gen Yot Thephatsadin na Ayutthaya, former deputy supreme commander ACM [Air Chief Marshal] Krasae Intharat and former deputy supreme commander ACM Arun Phromthep.

Gen Bunrit's testimony under cross-examination today was considered very help-ful to the five key suspects, so much so that at one point the judge told defence lawyers that some of it will not be recorded.

Gen Bunrit was the third state witness to be cross-examined by the defence lawyers.

When asked by Gen Soem's lawyer, Gen Bunrit replied that former Army deputy commander-in-chief Gen Thianchai Sirisamphan (the man credited with putting down the coup) told him that Gen Soem was forced by rebel soldiers caused by some of the armed soldiers in the headquarters and in front of his office and the only exit the headquarters had, he said.

He said that he knew he was "marked" (forced) because when he left the meeting room (coup headquarters) for his office which was on the third floor of the same 602 Building, he was followed by armed soldiers.

Replying to Gen Kriangsak's lawyer's question, Gen Bunrit said that he learned later (after the coup was crushed) that Gen Kriangsak was also forced to join.

Gen Bunrit said further that while he was in the meeting room he noticed that all retired and active senior military officers there did not show any sign of being in the process of staging a coup.

"There has been no consultations and nobody was seen drafting any document," he said.

He said the act of passing around the documents seemed more like delaying tactics on the part of the senior officers.

What he felt was that the armed soldiers inside the meeting room were the ones who were in control of the situation and they were the ones who could bring harm to those who would not cooperate with them, he said.

Gen Bunrit said that after the coup, he also heard that Sub-Lt Phongphiphat Chamanan, Gen Kriangsak's son, was also among soldiers who were commended for his role in putting down the coup attempt.

Asked by Gen Yot's lawyer, Gen Bunrit said he did not see that Gen Yot or the other key coup suspects were armed, unlike some other less senior officers who were.

In his earlier testimony that he overheard either Gen Soem or Gen Yot saying that Gen Thianchai and Lt-Gen Phichit Kunlawanit would soon join the coup, Gen Bunrit explained that while he heard this, Col Manun was also present.

"It could have been Col Manun who was saying to Gen Soem and Get Yot," he said.

Gen Bunrit also said that he also noticed that Gen Yot was very uneasy when he was in the meeting room along with the other coup suspects.

Asked why he contacted Gen Thianchai, Gen Bunrit said that he contacted him because Supreme Commander and Army Chief Gen Athit Kamlang-ek was abroad.

"Under that circumstance, I was not in a position to do anything but to contact Gen Thianchai to inform him that the Internal Security Operations Command in which I was deputy director was also seized," he said.

He said he learned later that the situation was put under control when  $\operatorname{Gen}$  Yot was able to contact Lt- $\operatorname{Gen}$  Phichit.

He said since Gen Yot, Gen Soem, Gen Kriangsak and ACM Krasae had no aides with them, they had no way to plan their escape.

"Everybody seemed to be on edge, any attempt to escape might have cost them their lives because some soldiers were fully armed," Gen Bunrit told ACM Arun's lawyer.

Asked whether he thought that it was too dangerous for the coup plotters to choose the Supreme Command Headquarters, which is so near to the First Army Area Headquarters, as their command centre, Gen Bunrit nodded and said that he never thought that the coup plotters would have done such a thing.

"Never before had any coup plotters set up their command at Sanam Suapa (Supreme Command) because it was foolhardy to do so," he said.

He said that the Capital Security Command (set up by Gen Athit inside the First Army Area Headquarters) had many more tanks than those under the command of the coup makers at the Supreme Command next door.

"This made me think that there could have been prior arrangements," Gen Bunrit said.

He said he also learned after he escaped from the coup headquarters that ACM Arun was also being watched by Wing Commander Manat Rupkhachon (Col Manun's brother).

He said that in the coup headquarters there were lots of Air Force personnel which at first made him believe that they were (RTAF [Royal Thai Air Force] chief) ACM Praphan (Thupatemi's) men.

Both ACM Praphan and ACM Arun were in a difficult position to escape because both were familiar to the RTAF men there.

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JOINT OPERATION AGAINST CPM IN BETONG SALIENT

BK100038 Bangkok BANGKOK POST in English 10 Feb 86 p 3

[Text] Betong--Thailand and Malaysia have sent at least 800 ground troops into the Betong salient to wipe out communist guerrillas along the common border.

Combined Task Force Commander Maj-Gen Kitti Rattanachaya said Malaysian troops had been in the area since Saturday in a coordinated attack on two Communist Party of Malaya [CPM] targets 12 and 16 kilometres north of Betong.

Thai troops and Army-trained rangers were sent yesterday to the targets, thought to be rebel strongholds.

Two Malaysians were hurt on Saturday when they stepped on a booby trap believed to have been planted by CPM guerrillas, while two Thai soldiers were wounded yesterday in a brief clash and in a booby trap explosion.

Maj-Gen Kitti said the CPM at present commanded a 1,500-strong guerrilla force on the border and about 800 were operating on this border front.

The joint operation codenamed "Taksin 8601" was the first military manoeuvre launched by the two countries this year against the CPM.

Taking part in the operation on the Malaysian side were troops from the 6th Brigade and Task Force 083 while the Thai troops consisted mainly of members of the 5th Infantry Regiment.

Maj-Gen Kitti, who commands the 5th Regiment, said liaison officers had been exchanged on either side of the border to coordinate information.

It was expected that the main ground troops which were leading toward the suspected CPM positions on both sides of the border line would reach their objectives within the next few days.

Four helicopter gunships have been put on stand-by in Betong town, ready to back ground troops secure the camps, said Maj-Gen Kitti.

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# REGIONAL POLICE COMMANDER ON SEPARATIST MOVEMENTS

BK111040 Bangkok MATICHON in Thai 11 Feb 86 p 2

[Text] Police Major General Phingphan Netrangsi, commander of Provincial Police Regional Headquarters 4, disclosed that at present the PULO [Pattani United Liberation Organization] and BNR [Barisan Revolution Nasional, or Liberation Front of Republic Pattani] terrorists are still actively demanding protection fees from the Buddhists and Chinese in Yala, Pattani, and Narathiwat provinces. The two separatist movements are also intensifying their political activities, setting up more Islamic religious schools, and infiltrating into the Muslim missionary groups. However, he said, this is only the first stage of their operation.

Police Maj Gen Phingphan said that the two movements have recruited many batches of Thai Muslims along the Thai-Malaysian border areas with dual nationality and sent them out through Malaysia for terrorist training in many Middle East countries.

Regarding the Chinese communist guerrillas, he said that there are only a few of them hiding along the Thai-Malaysian border areas. So far they have not clashed with Thai soldiers. As for the reported plan to merge the terrorist movements under the leadership of BNPP [Barisan Nasional Pember-Basan Pattani, or National Liberation Front of Pattani], he said that the PULO and BNR are unlikely to agree with the idea because the BNPP, once supported by foreign countries, is now almost extinct.

/6662 CSO: 4207/165

VILLAGE-BASED COUNTERINSURGENCY PLAN PROPOSED

BK130227 Bangkok BANGKOK POST in English 13 Feb 86 p 3

[Text] The Fifth Division in the South will propose to the National Security Council [NSC] that new communities be set up in communist-infested areas along the Thai-Malaysian border.

Sources said the "villages for development" plan would help reduce the Communist Party of Malaya's [CPM] sphere of influence.

They said that Fifth Division Commander Maj-Gen Kitti Rattanachaya would discuss the plan with NSC chief Sqn-Ldr Prasong Sunsiri today.

Maj-Gen Kitti, in charge of military cooperation with Malaysia against CPM insurgents, has already won Sqn-Ldr Prason's support for the plan.

Villages in the scheme would help authorities to differentiate between communist sympathisers and armed insurgents, a problem which has hampered anti-insurency operations, they said.

One such village may be set up about five kilometres from the border in an area under strong CPM influence.

Both men are also expected to discuss the nationality issue for the CPM defectors.

The sources said that Malaysian insurgents now hold Malaysian nationality but military observers believe that more rebels would defect if they were offered Thai nationality instead. This could prove a long-term solution for the insurgency problem, they added.

A similar proposal was raised by former Fourth Army Region Commander Gen Han Linanon but met with stiff opposition.

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VOFA ON SOVIET INTEREST IN CAMBODIA SOLUTION

BK070733 Bangkok Voice of Free Asia in English 1500 GMT 6 Feb 86

[Station commentary: "The Atmosphere of International Conference on Kampuchea"]

[Text] As far as everybody has heard, the Soviet Union seems to be very much concerned and decisive in solving the chronic Kampuchean problem. At recent times, several high ranking officials of Moscow, including the foreign minister and Soviet ambassadors accredited to ASEAN countries, have actively revealed plans and schemes of holding some sort of international conference with the view to attaining that effect. In a way, this news obviously indicates the Soviet Union's influence on part of Vietnamese policies and activities over the aggression and occupation of Kampuchea. Apparently, the Soviet Union has given extensive aid to Vietnam for maintenance of 200,000 Vietnamese occupying forces and their military supplies, which are believed to be over \$1 billion per year. The enormous amount multiplied by 7 years of occupation could have done so much for reconstruction and development of Vietnamese economy or even for the gloomy economy of the Soviet Union. However, the latest Soviet proposal offering itself as a guarantor of peace accord which will lead to withdrawal of Vietnamese troops from Kampuchea next year may be looked upon as a hint to its limited impatience with the costly war as well as with the efficiency of Vietnamese soldiers to wipe out the remnant coalition nationalist forces under leadership of Prince Norodom Sihanouk.

As a matter of fact, there are already at least two international negotiating [word indistinct] for a political and peaceful settlement of the Kampuchean situation, one of which is based on the annual UN General Assembly meetings and the other is called the Interational Conference on Kampuchea in Geneva. Both the Soviet Union and Vietnam are participating members of the said international body which enabled the Soviet to facilitate proposals for such meeting. Moreover, at the present time ASEAN and other peace loving countries who adhere to nonaligned policies have frequently raised and presented various options of negotiations for Vietnam to consider but so far without any positive response. These countries certainly would be more than delighted to chair the Vietnamese or Soviet Union proposed solutions in order to end the terrible situation in Kampuchea which is threatening the security of the region as a whole and of Thailand, the frontline state, in particular.

A very important fact that the Vietnamese side should bear in mind is that the Kampuchean problems have become a critical issue to its neighboring countries and international community because they have relatively ill results which affected international peace and security of the entire Southwast Asian region, especially the violation of international law andorder and also basic human rights.

The Kampuchean situation has entailed a sharp interest of the superpowers who have frequently benefited from the conflict. With a green light this time from the Soviet Union by whatever reason, it is believed that many outstanding problems hindering the political negotiation could be speedily cleared up. From Thai people's viewpoint, the most worrisome problem is likely to be the very large numbers of Vietnamese troops, especially the ones positioning themselves around the Thai-Kampuchean border. This immediate withdrawal will greatly satisfy all the Thai people and thus pave the way for a long lasting peace solution satisfactory to every party concerned.

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### BRIEFS

U.S. 'STANCE' ON STEEL PIPE--In addition to the U.S. Farm Act, which shows the behavior of our great ally--the United States--which is doing everything possible to disrupt other countries' commodity markets in the same way the big fish swallow smaller fish, Thailand is now being victimized by a protectionist U.S. measure against steel pipe exports. Alleging that the Thai Government is subsidizing the steel pipe industry, the United States has deemed it necessary to set up a tariff barrier against Thai steel pipe sold in that country. The United States refused to listen to Thailand's explanation that the subsidy allegation is untrue, making it appear that Thai data is meaningless as far as it is concerned. The result is that Thai steel pipe exports to the United States are subjected to a 15 percent tax, as opposed to the 1.6 imposed on other country's products. What chance, then, does Thai steel pipe have against that of other countries? This column cannot do anything to help, but it can expose the nature of the "saintly" U.S. superpower. Let's hope that the Thai authorities concerned will be able to do something about this matter. [From "Personalities in the News" column] [Text] [Bangkok THAI RAT in Thai 12 Feb 86 p 4 SK] /6662

DANISH, SPANISH AMBASSADORS DEPART--Prime Minister General Prem Tinsulanon on 28 January received at Government House Danish Ambassador to Thailand William McIlquham Schmidt and Spanish Ambassador to Thailand Nicolas Revebga Dominguez. Both ambassadors paid farewell calls on the prime minister upon ending their tour of duty in Thailand. [Summary] [Bangkok Domestic Television Service in Thai 1300 GMT 28 Jan 86 BK] /6662

NEW INDONESIAN AMBASSADOR--His majesty the king received the credentials of the new Indonesian ambassador to Thailand, Air Force Major General Aried Riyadi, at Chitlada Palace on 3 February. [Summary] [Bangkok Domestic Service in Thai 1300 GMT 3 Feb 86 BK] /6662

BORDER PATROL CLASH WITH 'INTRUDERS'--Late news from Prachin Buri Province: At 0900 today, our Thai Border Patrol Police and villages clashed with foreign troopers in the vicinity of Nong Phak Waen Village in Tambon Thap Lat of Ta Phraya District. The 30-minute clash took place only 500 meters from Khao I-Dang where 30 border patrol policemen and defense volunteers ambushed also about 30 foreign intruders. Police Corporal Sakpradin Thasin was killed, and three villagers--Pricha Thaensinfa, Churun, and Prakhen--were wounded during the incident. After the clash, the body of an intruder and two wounded were left at the site of the incident. [Text] [Bangkok Domestic Television Service in Thai 1230 GMT 11 Feb 86 BK] /6662

RELATIONS WITH LAOS--Recently there were armed suppression activities against Lao dissident groups and road repair work in Laos by mobile units which were closely supervised by the Vietnamese. Reinforcements were sent to various bases near the Thai border opposite Nan Province. Lao operations have occasionally violated the Thai border. There were also incidents of harming or taking Thai villagers by force into Laos. Some of these incidents were successfully settled by local officials. In any event, the Thai military regards incidents along the Lao border as having little effect on Thailand's security, and for this reason Thailand has tried to settle the local conflicts on the basis of past good relations between Thailand and Laos. If another country does not dictate or control Laos' policy, peaceful relations between Thailand and Laos could resume on the basis of friendship and sincerity. [Thai Armed Forces Chief of Staff General Banchop Bunnak's lecture to meeting of Association for use of Psychology for National Security--given in Bangkok on 6 February; recorded] [Text] [Bangkok Domestic Service in Thai 0000 GMT 7 Feb 86 BK] /6662

CPM GUERRILLAS WOUND SIX--Betong--Six soldiers have been seriously wounded in a drive against Communist Party of Malaya [CPM] forces, military sources reported yesterday. In the first incident, three soldiers were wounded in a landmine explosion at 4 p.m. as their unit was inching towards a CPM camp about 12 kilometres north of this border town. One soldier lost a leg. About 20 kilometres to the southeast, three more soldiers were wounded, two seriously, when their unit was ambushed by CPM insurgents. The clash lasted for 20 minutes during which soldiers called in helicopter gunships, which poured cannon and rocket fire into a suspected CPM stronghold for about 90 minutes. Communist casualties were not reported. The government forces were said to be edging towards CPM camps in rugged terrain along the border, which is thought to have been heavily mined. An engineering corps officer said the insurgent's devices--water pipes stuffed with explosives and sealed with cement--could not be tracked with mine detectors. Another officer said government forces were moving carefully towards the military targets for fear they could fall into CPM traps. [Article by Soemsuk Kasitpradit] [Text] [Bangkok BANGKOK POST in English 13 Feb 86 p 3 BK] /6662

CPM 'ORDERED' TO RECAPTURE STRONGHOLD--Betong--Communist Party of Malaya [CPM] guerrillas have been ordered to recapture at any cost a stronghold seized by Government forces last April, a captured rebel told military intelligence interrogators. The order was given by CPM chairman Chang Chung-min in a recent visit to the guerrillas' 104th Company headquarters, thought to be 17 kilometres north of Betong. Sources quoted Tong-sui Sae Liang, alias Tong Peng, a one-time senior member of CPM as saying the rebels wanted to regain the Bo Namron Camp, about 10 kilometres northwest of here because a large amount of equipment and arms remain hidden there. The equipment still buried in the camp reportedly includes a power generator, a metal drill, a printing press and a large weapons cache. Military authorities have become convinced of the importance the CPM attaches to the camp by the frequent ambushes on Thai soldiers guarding the seized stronghold, the sources said. [Text] [Bangkok BANGKOK POST in English 14 Feb 86 p 5 BK] /6662

KHUKRIT SUPPORT FOR PM --Chiang Mai--M.R. Khukrit Pramot yesterday brushed aside talk of an impending dissolution of Parliament and predicted the government will complete its four-year term. The former prime minister said he was confident the Prem Tinsulanon government could push through the royal decree on tax changes, which is expected to face strong opposition in Parliament.

He noted, however, that if the royal decree was defeated in Parliament, the government would have to resign or dissolve Parliament. "But I don't believe that would happen. What's the use in stirring things up?" he said, pledging support for the decree. Several pro-government MPs, including several in his Social Action Party—the largest coalition party—have threatened to join the opposition to block the package and back a censure motion. M.R. Khukrit, who quit as SAP leader after the party defeat in the December Bangkok by-election, said he opposed a dissolution and said Parliament's term is coming to an end soon. The former premier, who said he had not met the prime minister since he stood down, declined to comment on moves to extend the term of Supreme Commander Gen Athit Kæmlang—ek. [Text] [Bangkok BANGKOK POST in English 9 Feb 86 p 3 BK] /6662

LAOS TRAINING THAI GUERRILLAS--Ubon Ratchathani--Laos has opened 12 camps to train Thai guerrillas for subversive activities in Thailand, according to Captain Bamrung Khaorat, commander of the Navy's Mekong River Patrol Unit based in Nakhon Phanom. He said five of the training camps were in Khammouane Province, four in Savannakhet, two in Phikansai and one in Vientiane. intelligence reports, Capt Bamrung said guerrillas of the Thai Revolution Movement, or the Green Star, who were usually clad in Laotian soldier's uniform, were operating alongside their Laotian and Vietnamese comrades in Laos. But he said they would try to slip back into Thailand whenever an opportunity arose. Capt Bamrung said the guerrillas were actve in Bung Kan and Seka districts of Nong Khai; Muang, Na Kae and Ban Phaeny district of Nakhon Phanom; and Don Tan and Muang districts of Mukdahan. He also said that the Laotians were developing an airbase in Phon Savan, Xiang Khouang Province, to accommodate Russian-made MiG-21 fighters. [Text] [Bangkok BANGKOK POST in English 8 Feb 86 p 16 BK] /6662

CPM AMBUSH WOUNDS RANGER--Betong--Armed members of the Communist Party of Malaya (CPM) ambushed a Thai task force, wounding an army-trained ranger here this morning after they became under pressure of the Thai-Malaysian joint suppression operation. The fresh ambush was reported at about 9.30 a.m. to-day when a unit of soldiers and rangers was advancing to Target No 3, about two kilometres southeast of Betong District. The ranger, identified as Sawai Lapphon, was the ninth person wounded in the battle against the CPM that started late last week. Col Chuphan Trachu, deputy commander of the combined task force, said that the suppression force faced strong resistance from the CPM at Target No 3. The Target No 3 in this Thai-Malaysian joint operation is believed to be a CPM camp. [Text] [Bangkok BANGKOK WORLD in English 13 Feb 86 p 2 BK] /6662

CASUALTIES FROM SRV BOOBY TRAPS--Ninety two Thai soldiers and civilians were killed or injured by booby traps planted along the Thai-Kampuchean border since last October. Colonel Phopsuk Sutharanan, spokesman of the Thai Army Operations Center, said yesterday that so far 11 military officers had been killed and 42 others seriously injured by Vietnamese mines. The official said the booby traps also killed three soldiers of the Burapha Task Force and wounded 36 others. The landmines, some of which were planted 100 meters deep inside Thai territory, also killed four villagers living along the border areas. [Text] [Bangkok Voice of Free Asia in English 1500 GMT 12 Feb 86 BK] /6662

cso: 4200/696

### PEOPLE'S REPUBLIC OF KAMPUCHEA

HENG SAMRIN RECEIVES OUTGOING GDR AMBASSADOR

BK120602 Phnom Penh SPK in French 0440 GMT 12 Feb 86

[Text] Phnom Penh, 12 Feb (SPK)—Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State, this morning received Gunter Horn, GDR ambassador to Cambodia, who took leave of him at the end of his posting in Cambodia.

On this occasion, Chairman Heng Samrin called the GDR ambassador's mission an active contribution to the consolidation and broadening of the bonds of solidarity, friendship, and cooperation between the GDR and Cambodia.

Heng Samrin highly appreciated the documents relating to the cooperation between the planning ministries of Cambodia and the GDR signed in Phnom Penh recently. The signing of these documents, he said, marked a new stage of development in the implementation of the friendship and cooperation treaty between the two countries and constituted an important factor for the PRK in the execution of its 5-year socioeconomic restoration and development plan adopted by the Fifth KPRP Congress.

In conclusion, the chairman deeply thanked the GDR party, government, and people for their precious aid to the Cambodian people's rebirth.

For his part, Gunter Horn expressed his conviction that the relations of friendship between the GDR and Cambodia will not cease to strengthen in the interests of the two peoples and affirmed that the GDR will always side with the Cambodian people in their just struggle, thereby contributing to the consolidation of peace in Southeast Asia and the world.

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CSO: 4219/26

PEOPLE'S REPUBLIC OF KAMPUCHEA

#### BRIEFS

OUTGOING GDR ENVOY--Phnom Penh, 11 Feb (SPK)--In Phnom Penh yesterday, Hun Sen, member of the KPRP Central Committee Political Bureau, chairman of the Council of Ministers, and minister of foreign affairs, received GDR Ambassador Gunter Horn who was taking leave of him at the end of his diplomatic mission in Cambodia. On this occasion, Hun Sen expressed satisfaction with the continuous development of the bonds of friendship and all-round cooperation between the PRK and the GDR. Hun Sen expressed profound gratitude to the party, government, and people of the GDR for their material as well as moral assistance to Cambodia's revolution. For his part, Gunter Horn voiced high appreciations of the remarkable achievements recorded by the Cambodian people under the just leadership of the KPRP. On the same day, the GDR diplomat was also received by Men Sam-an, Political Bureau member and chairman of the KPRP Central Committee's Organization Commission. [Text] [Phnom Penh SPK in French 0419 GMT 11 Feb 86 BK] /6662

ARMY ACTIONS IN BATTAMBANG IN 1985--Phnom Penh, 8 Feb (SPK)--The military and militia units of Thmar Puok District, Battambang Province, 300 km northwest of Phnom Penh, in close cooperation with the local revolutionary powers and the Vietnamese volunteers, launched 47 sweep operations in 1985, putting out of action 263 enemy soldiers, including 127 killed, 111 wounded, and 23 captured, and seizing 74 assorted weapons and a quantity of other war materiel. During the same period, they succeeded in bringing back to the fold 458 persons misguided by enemy propaganda with 165 rifles and a quantity of other war materiel. The militiamen of Battambang District, with the help of the armed forces of this locality, killed 122 enemy soldiers, wounded 178, and captured 5 others and seized 39 rifles and a quantity of other war materiel. During the same period, 172 returnees reported themselves to the local revolutionary power bringing along 72 firearms. [Text] [Phnom Penh SPK in French 0443 GMT 8 Feb 86 BK] /6662

cso: 4219/26

## MILITARY AFFAIRS AND PUBLIC SECURITY

BORDER PROVINCE VILLAGE COMBINES DEFENSE, ECONOMY

OW110801 Hanoi VNA in English 0715 GMT 11 Feb 86

[Text] Hanoi, 11 Feb (VNA)--The village of Thai Thuong in Thai Thuy District, Thai Binh Province, east of Hanoi, used to be a lone raised sandbank on the coast of the East Sea, about three metres above sea level at the highest place. Over the years, the alluvium of three rivers filled the estuary and linked it to the mainland.

Today, the commune counts 4,600 inhabitants with 206 hectares of tilled land including 88 hectares of rush and mulberry trees. Rice output of the commune rose from 300 tons in 1975 to 670 tons in 1984, pork from 4 tons to 21 tons, silk yarn from 7 to 17 tons and sea fish from 30 tons to nearly 600 tons.

Due to its geography, Thai Thuong is regarded as an important forward defence post on Thai Binh's coastline.

To combine economy with national defence, Thai Thuong has concentrated efforts on restoring the "vet" (rhizophora conjugata) along the four kilometres of its coastal. [sentence as received] This marshy plant has supplied hundreds of tons of fruit from which tannin is extracted. Its flowers are an inexhaustible source of supply of nectar for the local bee farms which produce a dozen tons of honey each year. The rhizophora forests have also helped the system of sea dykes in the commune stand well against recent storms. They have also an excellent retaining wall for the alluvium to expand the growing sugar-cane and rush.

Militarily speaking, they provide an excellent fortress against an enemy landing from the sea. The roads stretching to the coast are being consolidated to serve both development and military plans.

Together with other coastal villages, in recent years Thai Thuong has built a "green defence line" consisting of dense bamboo forests along the coast. Bamboo also supplies materials for the export industries.

Implementing the line of "reaching out to the sea to enrich the country and defeat eventual enemy aggression," in early 1984, Thai Thuong began a campaign of extensive embankment to raise shrimp for export. The commune is expected to become a fishing port and more people from the hinterland will come to build new villages on the new tracts of land wrested back from the sea.

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### MILITARY AFFAIRS AND PUBLIC SECURITY

GENERAL DANG VU HIEP STRESSES PARTY LEADERSHIP

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Nov 86 pp 1-9

[Article by Lt Gen Dang Vu Hiep: "Continuing To Perfect Leadership Mechanism of the Party Regarding the People's Army and National Defense"]

[Text] The direct, concentrated and unified leadership in every aspect of the party is a primary factor determining every step of growth and combat of our army. Strengthening the party leadership of the army is always a foremost mission of our entire party and military force.

Since the great victory of spring 1975, our country's revolution has begun a new period with the entire country liberated, reunited and advancing toward socialism. Our entire army and people, under the leadership of the party, are simultaneously conducting two strategic missions: successfully building socialism and maintaining combat readiness to firmly protect the socialist Vietnam fatherland. While achieving the foremost mission of building socialism, our party does not relax for an moment in the mission of protecting the fatherland, regularly emphasizing construction of a national defense of all the people and increasing the strength of the people's armed forces and the people's army.

The Fourth and Fifth National Party Congresses both affirmed the need for further strengthening the leadership of the party over the army with the purpose of making the people's armed forces and the people's army "eternally trusted tools of the proletarian dictatorship state in protecting the fatherland and protecting the fruits of the revolution." (Footnote 1) (Vietnam Communist Party -- "Proceedings of the Fifth National Party Congress," Su That Publishers, Hanoi, 1982, Vol I, p 47)

Since the Fourth and Fifth National Party Congresses, our party has constantly sought ways to renew, perfect and improve the leadership mechanism of the party regarding the army consistent with the new situation with the purpose of causing the leadership mechanism to be firmly ensured and to fully express the direct, concentrated and unified leadership in every aspect of the party over the army, and causing the army to be "endlessly loyal to the fatherland and socialism, to absolutely obey the leadership of the party, to unite firmly around the Party Central Committee, to closely coordinate with the laboring people, to maintain combat readiness and victorious combat, to firmly protect the socialist fatherland and to enthusiastically labor in building the nation and fulfilling the international obligations." (Footnote 1) (Ibid., Vol III. p 89)

The Resolution of the Political Bureau on "Renewing and improving party leader-ship of the Vietnam People's Army and national defense, and implementation of the one-commander system in the army" at the end of 1982 as well as the Resolution of the Political Bureau on "Continuing to improve the leadership mechanism of the party regarding the Vietnam People's Army and national defense" during the middle of 1985 were both aimed in that direction.

The unceasing perfection and improvement of the leadership mechanism of the party regarding the army clearly and properly expresses the revolutionary, scientific and practical viewpoint of our party in organizing achievement of party leadership. This mechanism must be aimed at achieving an objective of "ensuring the firm leadership of the party in every situation, maintaining the collective leadership principle, highly developing the responsibility of the commander and the effectiveness of party and political work, and unceasingly upholding the combat strength of the army" as stated in the Resolution of the Political Bureau.

This leadership mechanism must develop the fine traditions and precious experience of our army, selectively accepting the advanced experience of the parties and armies of fraternal socialist nations, first of all the Soviet Union; and must creatively apply this experience consistent with the practice of our country and our army. The major and new problems can never be completely resolved and perfected at one time because life is constantly developing. Therefore, the Political Bureau has issued a directive on the need to follow and gain experience. Through actual practice and thorough examination, any theme that properly achieves the proposed objective can be confirmed and additionally strengthened, and any theme that is basically consistent must be studied and supplemented for steady improvement while any theme which is inconsistent must be corrected for consistency.

It is necessary first of all to firmly grasp the primary principles in the leadership mechanism of the party regarding the People's Army.

As we know, the most fundamental and embracing principle of all the principles of building the revolutionary armed forces is the direct, concentrated and unified leadership in every aspect of the party over the people's armed forces. This is the key issue guiding all leadership of the party over our armed forces in all political, ideological, organizational, construction, training, combat, etc. fields.

On the basis of this most fundamental principle, the Resolution of the Political Bureau defined the primary principles in the leadership mechanism of the party concerning the Vietnam People's Army. These principles are:

- 1. The Party Central Committee, regularly and directly the Political Bureau, leads the Vietnam People's Army in a direct, concentrated and unified in every aspect manner.
- 2. Under the leadership of the Party Central Committee, party organization in the Vietnam People's Army follows a vertical system from the basic to the entire army level.

The Political Bureau assigns the Central Military Party Committee to lead every work aspect in the army in accordance with the authorization of the Party Central Committee. Party organization executive committees at all levels are democratically elected and in special cases are appointed by higher echelons.

- 3. Leadership agencies at all levels of the party must properly achieve the principle of collective leadership. Collective leadership must accompany assignment of responsibility to the individual and development of the spirit of individual responsibility.
- 4. On the basis of ensuring the firm and thorough leadership of party organizations, the system of one commander at all levels in the army must be implemented.
- 5. At each echelon, have a political agency and political cadre responsible for party and political work under the direct leadership of the party committee at that level and subject to the guidance of upper echelon political agencies.

The primary principles above are aimed at fully expressing in specific organizational work the requirement set forth by the Resolution of the Fifth Party Congress that "Direct, concentrated and unified party leadership of the armed forces in the "political, ideological and organizational" aspects "must further strengthen the leadership of the party over the armed forces while simultaneously fully achieving the one-commander system." (Footnote 1) (Ibid.)

Thus, party organization in the army is a unified party organization arranged in a vertical system with an entire system of party committees at all levels from the basic to the entire army level.

The Political Bureau affirms the need for implementing the one-commander system at all levels of the army on the basis of ensuring the firm and thorough leadership of the party. (Footnote 2) (Ibid). This fact illustrates the close organizational relationship between the commander and the party committee at his level, and the requirement that party organization must have firm and thorough leadership. This is an important requirement guiding the construction of party organizations and basic units in the one-commander system in our army.

Firm leadership is politically stable and resolute under all conditions, firm in principle, and proper in policy and method. Thorough leadership is unified from top to bottom with the entire army party organization thoroughly understanding the line, position and policy of the party and state; lower echelons firmly grasping the position and intention of upper echelons; and when conducting achievement organization, the party members and masses, cadres and men, lower and upper echelons, and units throughout the entire army all join in "one determination, one voice and one action." Only when party organization has such leadership will it be possible to properly and fully develop the one-commander system and to ensure that this system is firmly established and achieved in the basic party unit.

In the leadership mechanism of the party regarding the army and national defense, the Party Central Committee and directly the Political Bureau provides

firm leadership in the task of strengthening national defense, building the people's armed forces and guiding achievement of victorious people's war to protect the fatherland.

Under conditions in which the party is in power and is simultaneously conducting two strategic missions, the Political Bureau does not have enough time or the conditions to specifically and promptly resolve the problems of the military and national defense by itself. Therefore, the Political Bureau must have a standing agency on military and national defense matters. This agency has a mission of assisting the Party Central Committee and Political Bureau in substantiating problems dealing with military policy and mission, and resolving major problems on the military and national defense with the purpose of effectively implementing the resolutions of the Party Central Committee and Political Bureau in that field. Decisions of the standing agency are systematized into orders, decrees or directives of the Council of State or Council of Ministers in order for ministries, sectors and localities to take responsibility for implementing and developing the leadership effectiveness of the party regarding the military and national defense in all fields throughout the army and the nation.

The collective leadership party committee system of party committees at all echelons from the basic level unit to the entire military is an extremely important theme in the leadership mechanism of the the party regarding the army.

The entire military organization has the Central Military Party Committee under the direct leadership of the Political Bureau and the Secretariat of the Party Central Committee. The Central Military Party Committee has two primary functions: to serve as a staff for the Party Central Committee, the Political Bureau and the Secretariat of the Party Central Committee on matters dealing with military line and mission, on building a national defense of all the people, on constructing the people's armed forces, building the ranks of party cadres in the army, constructing the disposition of people's war and the strategic rear area of people's war, and building national defense, on party construction, and on party and political work and systems and policies dealing with the armed forces and the local military assignment; and as the highest party committee echelon in the army with a mission of leading the entire military organization in strict execution of party and state line, mission, position and policy and successfully achieving the military mission and other missions assigned by the party and state; and building a powerful army party organization of high combat strength. The Central Military Party Committee is appointed by the Political Bureau and is comprised of a number of members of the Party Central Committee now serving in the army.

Party committees at all echelons "have a responsibility of leading all units under their authority in accordance with the functional scope and theme stipulated for each level." Thus, party committees at all echelons have a mission of leading the unit in every aspect: in political, ideological and organizational construction (including construction of the party and of cadre ranks); and leading achievement of all missions: combat, work, production labor, economic construction and international obligations; all work aspects: political, military, rear services, technical, professional, vocational, etc.

The party committee leads in every aspect in accordance with the functional scope and theme stipulated for each echelon. The function of the party committee is one of leadership. Based on the rules of party leadership defined by the Fifth Party Congress and applied to the military field, the Political Bureau presented the leadership theme of party committee echelons in the army as: discussion by the party committee to thoroughly understand the missions assigned by higher authority, to evaluate the unit situation in every aspect and to issue resolutions in positions and methods to properly execute the mission; based on the mission assigned by higher echelons, the unit situation and battlefield characteristics, through the operational determination of the commander and definition of major methods for winning victory; to supervise and inspect lower echelon party organizations and agency cadres in mission achievement precisely in accordance with the line and policy of the party and state and the resolutions, directives and orders of upper echelons and at the same level: and to build a party organization with great combat strength and pure and powerful primary level party organizations.

With its leadership function, during each period and each specific political mission, the party committee must firmly grasp key issues in the activity and life of the unit (the central mission, major tasks, newly appearing problems, etc.) and set forth positions and methods of leadership. The party committee does not decide specific issues within the command and management responsibility of the commander. Through the process of discussion, the party committee members may have opinions on specific tasks but when the conclusions of the party committee become resolutions, they must precisely follow the responsibility and leadership scope of the party committee.

In leadership involving achievement of the operations mission, the extent of progress in party discussions must be based on the scope of each echelon and the conditions determined by time.

Experience has shown that usually, the party committee must first of all discuss and reach thorough understanding of the mission assigned by upper levels, and unanimously recognize and evaluate the situation (concerning the enemy, us, the terrain, etc.), subsequently concentrating on the two primary themes of determining the intentions of the commander and estimating possible situations and directions of force handling and use.

Morever, depending on the specific situation, the party committee may hold careful discussion to solve this problem or that in the task of ensuring successful combat under difficult and complex conditions in which a good or bad solution has an effect on the campaign and combat results such as: labor, rear services, technology or communications, and reconnaissance. Through the discussion of these issues, the party committee determines the mission and theme of party and political work during combat.

Of course, it is through the operational determination of commanders at other strategic and campaign levels with reliance on the intentions of the commander in achieving the combat missions assigned by upper echelons that leadership problems in the tactical units of major concentrated combat corps [binh doan] are resolved. For those units operating independently far from direct leadership and command levels, especially in a combat environment on battlefields in

the enemy's rear area, the discussion and determination of combat and work positions must be achieved with a high degree of unity in the party committee.

In short, the operational effectiveness of the party committee first of all is to cause a thorough and profound understanding of the line, viewpoint, position and policy of the party in the unit, and to maintain collective leadership in order to properly and promptly resolve essential issues in accordance with its leadership function; while simultaneously developing the responsibility of the commander in handling and managing troops precisely in accordance with his responsibility, not causing the commander to become an individual passively and insignificantly carrying out tasks proposed by the party committee. The commander in our army is not dependent or reliant on the collective, nor is he arbitrary, dictatorial, and lacking in respect for the collective.

The party committee also has the important mission of concentrating efforts to resolve the important steps of ensuring the leadership of the party such as: the tasks of party construction, training and deploying cadres, supervision and inspection, mobilizing the masses, etc. and orienting all of its activities toward the objective of leadership to complete the missions of the unit. These are work themes on which party committees at every level must concentrate the proper level of effort and time to discuss, resolve, and assist in raising the effectiveness and quality of party organization and party committee leadership. It is necessary in the leadership work of the party committee to avoid improprieties such as: excessive discussion on undertaking issues within the command function but only summarily touching upon tasks involving party construction and the masses, or only carefully discussing party construction without delving into the political mission, and not discussing leadership of other aspects of the unit.

The nature of leadership problems of upper and lower echelon party committees may be similiar but the scope of discussion and resolution differ in accordance with stipulations on labor division and decentralization. For example, on the mission of the military region party committee, the Political Bureau states, "Along with the function of overall leadership over subordinate military units, there is also the function of guiding the construction of a national defense of all the people within the area of the military region."

Thus, party committees at all levels must have a firm and thorough grasp of the entire mission theme defined as "overall leadership in accordance with the function scope and stipulated theme for each level" in order to develop the role of the party committee, to uphold the combat strength of the party organization and the effectiveness of party leadership over the political mission of the unit.

Regarding the one-commander system, the Political Bureau continues to affirm that the system of a single commander "is an organizational principle of the army. The one-commander system is carried out at all echelons in the army on the basis of firm and thorough leadership by party organizations."

The one-commander system in our army is established in a mechanism of collective leadership by the party committee. Thus, the position, responsibility and relationship between the commander and the party committee in that mechanism have also been defined.

The commander has been assigned by the party and state full authority within his scope of responsibility and is individually responsibile to the party and state, to higher level commanders, and to the party committee at his level concerning the situation and results of executing the mission in every aspect of the unit.

To fulfill his responsibility, the commander must develop his initiative and determination, and must have a spirit of daring to shoulder responsibility in order to promptly handle situations and to ensure successful completion of the mission.

The main force troop commander must respect and maintain firm relations with the party organization and local administration of the local area where the troops are stationed.

Commanders of local armed forces and defense troops carry out their mission under the leadership of the local party committee and the party committee at their own level, and under the command of upper level military agencies.

In the organizational relationship closely connected with the party committee at his own level, the commander must promptly inform the party committee of missions assigned by higher echelons and his intentions for execution and proposals on positions and methods of leadership for discussion and resolution by the party committee. However, it is not only when missions are assigned to the unit by higher echelons that the commander presents opinions to the party committee. Through actual practice in the situation of executing the missions of the unit, the commander recognizes the need for the effect of party committee leadership in every task and step and must take the initiative in presenting proposals for discussion and resolution by the party committee. It must be recognized that the commander has an extremely important role in preparing for the party committee conference. The high spirit of party and political responsibility, knowledge and experience of the commander will make a decisive contribution in presenting the precise position of the party committee collective.

The commander is responsible for strictly achieving the leadership resolutions of the party committee within the scope of his own post. The proper leadership position of the committee echelon is a premise for ensuring a result of successfully completing every mission of the unit. However, it only becomes achievement through the orders, directives and other actions of the commander and the revolutionary action movement of all cadres and men. Therefore, after the party committee has issued a resolution, the commander, in accordance with his own function and mission, must perform extremely many tasks in many work aspects to convert the party committee resolution into achievement, enabling the resolution of the party committee to reach each detachment and individual as a specific mission and action. This activity not only points out the strict spirit and concept of organization of the commander but also highlights the role of the commander as an organizer, educator and motivator.

When an urgent situation occurs, the commander must take the initiative in prompt decisions and actions to successfully complete the mission, afterwards submitting reports to and bearing responsibility before the party committee.

This is the highest and most concentrated expression of the party spirit, the spirit of responsibility and the concept of initiative and creativity of the commander and is also a fine quality of a commander in our People's Army of Vietnam.

Therefore, the collective leadership system of the party committee and achievement of the one-commander system are not mutually opposing but are two aspects of one unified body. Party committee collective discussion of the major and essential issues in accordance with the scope of its function and the theme stipulated for each echelon is an important method for concentrating the intelligence and experience of the outstanding members of the party organization. This action will assist the commander in making more accurate and proper determinations; will strengthen the close relationship between the commander and the party committee, and will create a high degree of unity between leadership and command. On the other hand, the spirit of responsibility, creative initiative, knowledge and experience of the commander are expressed in proposals made to the party committee on issues requiring discussion and determination, and are an important contribution toward raising the quality of party committee leadership. In addition, a commander's work that expresses the party concept, respect for the collective, and strict compliance with the resolutions of the party committee is an example assisting to build and strengthen the cadre ranks of the unit.

Therefore, close connection of the system of collective leadership by the party committee with the one-commander system is the most important theme of the task to continually improve the leadership mechanism of the party in the army. The proper achievement of this theme is a strong foundation for achieving the objective of continuing improvement of the leadership mechanism of the party in our army at the present time.

The Resolution of the Political Bureau affirms that party and political work in the army "is an extremely important part of the activities of the party with the purpose of leading the armed forces in boundless loyalty to the socialist fatherland, the people and party ideals in order to victoriously complete the missions assigned by the party and state."

Carrying out party and political work is a principle in building the revolutionary armed forces of the party. Party and political work must remain in close contact with the requirements of the political and military missions and closely coordinate with the military, scientific and technical, rear services, vocational and professional tasks.

These issues are a basis for defining the organizational and operational principles of party and political work in our army.

The Political Bureau defined an army political agency and political cadre system to ensure party and political work in the army. This system consists of the following:

The Political General Department is an agency of the Central Military Party Committee and also a general department in the Ministry of National Defense.

The Political General Department is responsible for the party and political work of the entire military organization, operates under the direct leadership of the Central Military Party Committee and is simultaneously under the leadership of the Secretariat of the Party Central Committee and the guidance of the Organization Department, Training Department and Central Control Department of the Party Central Committee. In the political work aspect, the Political General Department is also under the guidance of the Minister of National Defense.

At the level of the military region, branch, corps [quan doan] and equivalent unit is the Political Department. At the level of the service, division, brigade and equivalent unit is the Political Bureau. At the regiment and equivalent level unit is the Political Section.

The individual responsible for a political agency is the political director. At echelons with a political agency, the executive officer or deputy commander for politics usually holds the concurrent post of political director. In the battalion, company and equivalent level units, there is a deputy commander for politics.

The political agency at all echelons carries out party and political work under the leadership of the party committee at its own level and with the guidance of higher level political agencies. In the political work aspect, the political agency is also under the direct guidance of the commander at that level.

The military region political agency also has a mission of supervising party and political work regarding the local armed forces and defense troops.

The Resolution of the Political Bureau "On continuing to improve the leadership mechanism of the party regarding the People's Army of Vietnam and national defense" once again proves that our party gives extreme concern to building the armed forces and is constantly concerned over strengthening the firm leadership of the party over the army, enabling the army to constantly serve as a forceful and sharp instrument of the party and state, supporting force of the collective ownership system and a key force of all the people in protecting the socialist Vietnam fatherland.

With the extremely rich experience of decades of construction, combat, victory and growth, and in conjunction with the experience we have gained through more than a year of implementing the Resolution of the Political Bureau on "Renewing and improving the leadership mechanism of the party regarding the People's Army of Vietnam and national defense and achievement of the one-commander system in the army," we have the full foundations for confidence and asserting that the themes set forth by the Political Bureau with the purpose of continuing to improve the leadership mechanism of the party regarding the army and national defense are proper, consistent with the leadership traditions of our party and the practices of our army, and are extremely consistent with the aspirations of all party members, cadres and men.

With a firm grasp of the objectives, requirements, fundamental themes and primary principles of continuing to improve the leadership mechanism of our party

regarding the army, each party member and cadre must uphold his spirit of party and principle, thoroughly understand the revolutionary and scientific viewpoint and the viewpoint of practice and development, and create a firm basis for unifying the entire army in realization, ideological viewpoint and actions aimed at properly and fully achieving every stipulation on continuing to improve the leadership mechanism of the party, strengthening the direct, concentrated and unified leadership in every aspect of the party regarding the army, and further raising the effectiveness of party leadership and the combat strength of the army.

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## MILITARY AFFAIRS AND PUBLIC SECURITY

PREPARATIONS FOR IMPLEMENTING PENAL CODE OUTLINED

Hanoi NHAN DAN in Vietnamese 21 Nov 85 pp 1,4

[Article: "Preparing to Put Penal Code Into Effect"]

In preparation for putting the Penal Code into effect, [Text] the Ministry of Justice, in coordination with the Ministry of Supreme People's Organ of Control and the Supreme People's Court, is making arrangements to bolster the understanding of the Penal Code for key cadres of a number of sectors at the central level. Virtually all the provinces, municipalities, and special regions have arranged for cadres and people to study and learn the code. Many people have given ideas about effective implementation measures and consider strict execution of law as the responsibility of the entire party, population army aimed toward contributing to successful fulfillment of two strategic tasks -- building and defending the socialist fatherland. Cadres, workers and laboring people are also contributing views to economic sectors, party committee echelons people's committees at all echelons on introducing law into process of building and implementing the new management mechanism in keeping with the spirit of resolutions 6, 7 and 8 from CPV Central Committee, abolishing bureaucratism subsidization, and shifting to socialist economic accountability.

justice services of Quang Nam-Da Nang and Lam Dong Provinces are sending many legal cadres to help districts and villages arrange to popularize the Penal Code and guide the people in discussing implementation of the law in the localities. the people's views on discovering instances of negativism production installations, some of the provinces' economic sectors have, in coordination with the justice services, sent cadres down production installations to help them sensibly purposefully resolve many violations of the law and begin formulating internal rules and regulations on managing society and the market in accordance with the spirit of the CPV Central The justice sector together with the Committee's Resolution 8. education sector in the provinces of Hai Hung, Vinh Phu and Thai Binh are holding law training classes for hundreds of political instructors and principals of general middle schools, and are starting to introduce law as a course of instruction.

The Central Committee of the Vietnam Fatherland Front is holding a conference to study and discuss measures for actively mobilizing all strata of people to strictly execute the Penal Code and to designate the Fatherland Front Committee at all levels as having the extremely important responsibility of propagandizing encouraging, educating and mobilizing all strata of people to strictly implement the Penal Code as well as the laws of the state.

The Central Committee of the Ho Chi Minh Communist Youth Union and the Ministry of Justice have signed a joint resolution on strengthening cooperation in law education for youths. On the basis of satisfactorily carrying out law education and studying the Penal Code, all levels of the union are continuing to step up the campaign to build a new way of life among the youths, especially living and working in accordance with the law.

The Ministries of Interior and Justice, the Supreme People's Organ of Control, and the Supreme People's Court are drawing up documents to guide the localities in controlling efforts, apprehending criminals, temporary incarceration, conducting searches, prosecution, trials, and implementing verdicts.

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CSO: 4209/199

INTERNATIONAL RELATIONS, TRADE AND AID

AUSTRIAN FOREIGN MINISTER DISCUSSES TALKS WITH NGUYEN CO THACH

AU071025 Vienna DIE PRESSE in German 6 Feb 86 p 1

[Special correspondent Gerhard Bitzan dispatch]

[Text] Hanoi--The trip by Austrian Foreign Minister Leopold Gratz to five Southeast Asian states, while not having achieved any breakthrough in the Cambodian issue, has nevertheless brought some movement to the rigid fronts. As Gratz told DIE PRESSE in an interview in Hanoi, his Vietnamese counterpart Nguyen Co Thach has expressed interest in withdrawing Vietnam's troops from Cambodia before 1990, and in opening negotiations with all states of the region as soon as possible.

According to the Austrian foreign minister, Hanoi also has new and concrete ideas about the appropriate approach in this respect, but these ideas are by no means sensational. Gratz also expressed himself in a similarly cautious way at a press conference, where he said that it was necessary to come to the hard core of the Cambodian issue, and to hold negotiations without preliminary conditions.

Prior to his talks in Hanoi, Gratz--who is also chairman of the UN International conference on Kampuchea, noted a great deal of flexibility, especially in Indonesia and Thailand. Even the Thais, who basically hold the firmest position, have signalled Hanoi via Gratz that they would be ready immediately for a solution of the Cambodian problem, that they would like to take up friendly relations with Vietnam, and even give it economic aid.

The Vietnamese foreign minister in turn indicated in his talks with the Austrian delegation that he no longer insists on immediate deposition of Pol Pot, but is of the opinion that his problem will take care of itself once the outside support for the resistance movement stops. Like Gratz's other interlocutors in the ASEAN group, the Vietnamese also look upon Gratz as a mediator—although the Austrian foreign minister does not want to accept this term.

Vietnam's foreign minister has clearly indicated his interest that his opinion be passed on to the ASEAN group via Gratz, and that he in turn be informed about the reaction. Thus, Vienna will have to give intensive attention to the problem of informing the sides involved in the conflict.

In the bilateral field, basic agreements were reached with Vietnam. Specific projects include the resumption of deliveries of Steyr tractors to Vietnam as well as appropriate spare parts, deliveries of Austrian oil drilling equipment, and some biochemical projects. To date, however, Hanoi has not yet decided whether it will accept Austrian payment condition.

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## INTERNATIONAL RELATIONS, TRADE AND AID

TRUONG CHINH, PHAM VAN DONG GREET IRANIAN LEADERS

OW101543 Hanoi VNA in English 1526 GMT 10 Feb 86

[Text] Hanoi, 10 Feb (VNA)--State Council President Truong Chinh and chairman of the Council of Ministers Pham Van Dong today sent a joint message to Iranian state leaders warmly greeting the 7th National Day of the Islamic Republic of Iran (11 February).

The message, addressed to religious leader Ayatollah Khomeyni, President 'Ali Khamene'i and Prime Minister Hoseyn Musavi, wished the friendly relation between the two peoples further consolidation and development.

Also on this occasion Foreign Minister Nguyen Co Thach sent a message of greetings to his Iranian counterpart minister Akbar Velayati.

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INTERNATIONAL RELATIONS, TRADE AND AID

VNA ON SPK REJECTION OF THAILAND'S PROTEST

OW110755 Hanoi VNA in English 0710 GMT 11 Feb 86

[Text] Hanoi, 11 Feb (VNA) -- The protest lodged recently by the Thai Government against so-called Vietnamese "crimes and aggression on Thai territory" was just another tall story, said the Kampuchean news agency SPK. This, coupled with the ballyhoo that Vietnamese Army volunteers were making "full preparations for massive mopping operations" against so-called democratic Kampuchea forces in Thai border areas, was designed to cover Bangkok's dirty role in its moves of territorial encroachment and subversion engineered by the Beijing expansionists against the People's Republic of Kampuchea. Since Thailand is harbouring the PolPotists and other Khmer reactionaries, and since all infiltrations by these elements have originated from Thailand, the revolutionary forces have the legitimate right of hot pursuit by running the infiltrators to ground in Thailand. But they have not done so out of consideration for good relations with the Thai people. But the Bangkok authorities do not seem to appreciate this softrestraint and good will, and they have done everything to sour relations with Kampuchea. Just one fact to prove that the men in Bangkok are slinging mud at other people. From November 1985 to January this year, Thai vessels including several warships made 2,681 intrusions into Kampuchean territorial water while Thai aircraft violated Kampuchean airspace 276 times, not to mention the frequent shellings conducted by Thai artillery in support of infiltrators from across the border. It is high time that the ruling circles in Thailand calmly consider all the consequences of their adventure acts against Kampuchea, consequences which may be disaster and for which they are entirely responsible. [paragraph as receivedl

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INTERNATIONAL RELATIONS, TRADE, AND AID

#### BRIEFS

VIETNAM SUPPORTS USCR INITIATIVE -- Hanoi VNA 29 January -- "The Central Committee of the Vietnam Fatherland Front warmly welcomes and fully supports the peace program of the Soviet Union, considering the initiatives put forth in the program a great contribution of the Soviet Union to the cause of peace and security of nations," said a statement issued here today by the Central Committee of the Vietnam Fatherland Front. The statement said: "Together with the progressive and peace-loving forces in the world, the Vietnamese people demand the United States and the nuclear countries to quickly respond to that program of the Soviet Union and actively participate in the implementation of this great initiative with practical deeds so that mankind may enter an era when scientific and technological achievements will be used for the welfare of the people." With a full sense of responsibility and considering the cause of each country and each region an inseparable part of the common peace, the Vietnamese people are closely uniting with the fraternal Lao and Kampuchean peoples in working for peace and security in Southeast Asia. At the same time, together with the Soviet people, the peoples of other fraternal socialist countries and friendly countries across the world they will do their utmost to make the Soviet Union's peace program become a reality and to make 1986, the international year of peace, the year opening the road toward the future of eternal peace for mankind." [Text] [Hanoi VNA in English 0817 GNT 30 Jan 86] /12913

PROVINCIAL TRADE COOPERATION PROMOTED—Hanoi VNA 12 February—The Lao province of Vientiane and the Vietnamese province of Hai Hung will promote their trade cooperation this year. This was provided for in an agreement signed during a recent visit to Hai Hung by a Vientiane trade delegation. Last year, Vientiane supplied Hai Hung with a quantity of plywood and corrugated iron-sheets. In return, Hai Hung supplied Vientiane with 250 tons of cement and 6,000 jute bags. Vientiane has also established trade relations with Hanoi, Ho Chi Minh City and Haiphong. [Text] [Hanoi VNA in English 1518 GNT 12 Feb 36] /12913

CUBAN SOLIDARITY WITH INDOCHINA--Hanoi, 11 Feb (VNA)--The Third Congress of the Communist Party of Cuba held recently in Havana has reaffirmed its solidarity and support to the three Indochinese countries. The resolution of the congress said: "The Third Congress of the Communist Party of Cuba reaffirms its fraternity and solidarity with the heroic Vietnamese communist and people as well as the Kampuchean and Lao nations, and wishes that the three Indochinese nations may continue with their national construction in peace." [Text] [Hanoi VNA in English 0708 GMT 11 Feb 86] /8309

EGYPTIAN-SRV COOPERATION AGREEMENT—Hanoi, 8 Feb (VNA)—A program on cultural exchanges and technical cooperation for 1986—1987 between Vietnam and the Arab Republic of Egypt was signed in Cairo on 4 February. The signatories were Vietnamese ambassador to Egypt Nguyen Tu Huyen, and Muhammad Izz Al-Din Sharaf, head of the department for cultural relations and technical cooperation of the Egyptian Foreign Ministry. Under the program, the two sides will exchange scientific and technical workers, cultural and art troupes, sport teams, and students. [Text] [Hanoi VNA in English 1534 GMT 8 Feb 86] /8309

CONGOLESE AMBASSADOR LEAVES--Hanoi, 7 Feb (VNA)--Congolese Ambassador to Vietnam Jean Claude Ganga left here today, concluding his term of office in Vietnam. [Text] [Hanoi VNA in English 1555 GMT 7 Feb 86 OW] /8309

PARTY ACTIVITIES AND GOVERNMENT

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# BRIEFS

PROVINCIAL DELEGATION VISITS PRK--On the occasion of the lunar new year, a delegation of the people, administration, and party of Ben Tre Province visited the sister Cambodian Province of Kandal to present Tet greetings and gifts to Victnamese cadres and combatants working there. During its visits to varous units, the delegation informed them of the socioeconomic situation in Ben Tre and especially the comprehensive successes recorded by the province in the economic and political fields in 1985. It encouraged the Vietnamese cadres and combatants to fulfill their tasks zealously in support of the Cambodian friends. The delegation turned over to these units hundreds of letters from people in the rear and gifts--cookies, cigarettes, sugar, and milk--with a total value of 63,000 dong. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 9 Feb 86 BK] /12913 CSO: 4209/297

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ECONOMIC PLANNING, TRADE, AND FINANCE

## PARTY SETS DIRECTION FOR HANOI'S 1986 SOCIOECONOMIC PLANNING

Hanoi HANOI MOI in Vietnamese 5 Jan 85 pp 1,4

[Text] Over the 3-day period of 2, 3, and 4 January 1986, the Municipal Party Committee held a conference to evaluate implementation of the 1985 plan and to set the direction of the city's socioeconomic mission for 1986.

By constant effort all year long, the party organization and the people of the capital have made some significant accomplishments and comprehensive changes. There have been moderate increases in the total social product and income of citizens of the municipality.

There was a 14.9 percent expansion in industry over that of 1984, including a 17.6 percent increase in local industry and a 20 percent increase in quality improved. Implementing Product Committee's Resolution 8, enterprises made changes in economic management; with more than half of all the main products of local enterprises, some initial changes were made in the way materials were inspected and labor norms checked, and production costs were lowered. In spite of bad weather, great success was achieved in agriculture with rice, corn, peanuts, and tobacco. Food output increased 17 percent over last year. The outstanding district was Dan Phuong, which achieved yields of 10 tons per hectare. Food purchases were higher than ever before, increasing 48 percent over last year. Lam Dong New Economic Zone raised 75 percent of its own food and entered a cooperative plan with Czechoslovakia for raising coffee, which will be their first agricultural products to be exported. Plans were exceeded for basic construction. Roads, bridges, and culverts expanded, relieving traffic congestion. Modern projects were completed, such as Thang Long Bridge, Chuong Duong Bridge, the Vietnam-Soviet Friendship Workers' Cultural Palace, and the statue of Lenin, clearly altering the appearance of the city. Housing construction has surpassed all previous levels.

Progress has been made in the circulation and distribution of goods, with many more handicraft goods and farm goods purchased than were last year. Export values increased; import values increased 18.5 percent over last year. New progress was achieved in the labor movement to build up the

capital city. Many aspects of national defense and security were advanced. Two drafts attained troop-level and quality goals and beat deadlines.

Progress was made in education, health, arts and literature, sports, and information and propaganda.

Mass movements, especially the movement for productive labor in industry and agriculture, have produced many new exemplars of economic accounting, socialist business, and intensive cultivation to increase yields, such as Precision Machine Shop No. 1, Minh Khai Textile Mill, Dan Phuong District, and Thach That District.

Nevertheless, productivity, quality, and effectiveness of production are still low. Many reserves have not been exploited, the agro-industrial structure has still not been rationalized, agricultural production--especially with the 10th-month crop--is not vegetable produce and livestock raising have decreased, and yields are not yet level and regular. In construction, not enough attention is paid to industrial, civil-use projects; export values are still small, export services are still slow, complications developed in circulation distribution over the final months of last year, there are large imbalances in many critical needs, and prices are rapidly increasing; not many results have been achieved in market management; strength and continuity are lacking in efforts to fight speculation and smuggling, fight the psychological warfare of the enemy, and resolve instability, and there are still many wrongs within society and outside it. There have been some attempts at party-building and ideological, organizational, and cadre activities, but there has not been a timely change in orientation in keeping with the spirit of Resolutions 6, 7, and 8 of the Central Committee.

In general, at the end of 1985, although many efforts were made and much progress achieved, the standards set forth at the 9th Party Congress have not been met. The socioeconomic situation of the city is one confronted with harsh difficulties, instability, and great imbalances. Many workers are still without work. Available equipment, land, and science and technology are not yet well utilized; production relations and economic management structure are still weak in many respects. Changes are still needed in the quality of education, health, culture, and civilized living; party discipline, discipline of front organizations, and socialist laws are not yet strictly adhered to.

After clarifying the great significance of 1986, the first year of the five-year plan of 1986-1990 and the year in which the 6th National Party Congress and the 10th Municipal Party Congress will take place, the Conference of the Executive Committee of the Municipal Party Committee pointed out that the year 1986 should be a year in which the working people's right to ownership is activated to a high degree, a fiery revolutionary movement is launched among the masses, and the leadership and management of party and government echelons show marked improvement, so that

strong changes are made in the implementation of socioeconomic tasks and objectives set forth in the ninth resolution of the Central Committee.

The Executive committee identified the following as the main tasks and orientation for 1986:

- 1. Production must be developed, social products must be rapidly increased with high productivity, quality, and effectiveness, including food, consumer goods, export goods, and some production materials, and import and export activities and foreign business must be rapidly accelerated.
- 2. Production must be rearranged and reorganized, labor redistributed and administrative and intermediary organizations restyled, state management machinery and the mechanisms of party organs and mass organizations corrected, and policies on population and planned parenthood correctly implemented. Good use must be made of available labor, land, and the material and technical base, and the production capacity of society must be increased at the same time, gradually building a rational economic structure for the city.
- 3. Good solutions must be found to problems of distribution and circulation, with the state controlling the market. Market reform and reorganization must be stepped up and market management increased, with prices, finances, and currency gradually stabilized and the daily life of the people thoroughly seen to.
- 4. Economic management is to be renovated in keeping with the spirit of resolution 8 of the Central Committee, terminating bureaucracy and subsidy and firmly switching over to economic accounting and socialist business. A new management structure is to be formed, guaranteeing the installation's right to take the initiative in production and business and upholding the responsibility of wards, districts, towns, and sectors in economic organization and management. Socialist production relations must be strengthened and perfected in industry, in agriculture, and in distribution and circulation.
- 5. We must continue to implement planning to improve and build the Capital City of Hanoi in accordance with the resolution of the Political Bureau.
- 6. The orientation must be changed in general and vocational education, and quality must be raised in such activities as culture, education, health, athletics, and building the new man. The ranks of scientific management cadres must be developed, trained, and reorganized so that they are capable of regulating the new economic management structure.
- 7. The local military and security efforts must be performed well; economics must be well coordinated with national defense.

8. Party building must be performed well in respect to ideology, organization, and cadres in order to fulfill the socioeconomic mission for 1986.

The 1986 plan must concentrate on fulfilling the most important tasks and most critical needs in order to gradually stabilize the socioeconomic situation and enable strong development in subsequent years.

After indicating salient tasks for each major operational effort for 1986 with respect to industrial production, small industry, handicrafts production, and agricultural production, with respect to exports and foreign business, with population and labor, with communications and transportation, with basic construction, with distribution and circulation, with science and technology, culture, education, health, and athletics, with war invalids and social welfare, and with national defense and security, the municipal party conference pointed out a number of issues regarding management reform, strong promotion of mass movements, expanding cadre work and party building work, and improving guidance and regulation with the aim at successfully accomplishing all tasks for 1986.

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BK101425 Hanoi NHAN DAN in Vietnamese 27 Jan 86 p 4

[Unattributed article: "The Army on the Front of Production and Economic Building"]

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[Text] In 1985, along with concentrating efforts on fulfilling its basic, primary task--remaining combat ready and fighting--our army has actively implemented the party's policies on labor productivity and economic building to help develop the country.

Value of gross output reached billions of dong (new currency) and surpassed the planned norm by 18 percent. It fulfilled 117 percent of the planned norm for agricultural and forestry production, 113 percent of the planned norm for capital construction, 121 percent of the planned norm for industrial production, and 133 percent of the planned norm for transportation and other services.

In compliance with the spirit of the resolutions of the sixth, seventh, and eighth party Central Committee plenums, those army units responsible for economic building have step by step rearranged their production organization, reduced the number of unnecessary intermediary or indirect links, carried out economic accounting, and turned over more profits to the state.

In various combat units, troops--especially those at commanding levels--have acquired a more coherent and profound conception of the duty and need to participate in production and economic building. As a result, the mobilization and use of the workforce have aroused attention and been carried out in accordance with plans to ensure a close combination of training activities, work related to combat readiness, and productive labor, thus enabling all units and echelons to satisfactorily fulfill their military tasks, save manpower and time, increase material wealth, develop rear services on the spot, stabilize and improve live, and make contributions to localities and society.

On the basis of further improving the combination of economy and national defense and bringing into full play the existing potentials in terms of labor, land, trades, and material and technical bases, various localities and units have correctly determined the economic targets and production guidelines for each locality and strategic area.

The forces of the national defense industry have made numerous efforts to overcome the difficulties regarding technical supplies and have actively joined one another and cooperated with other sectors and various localities to develop production.

Different modes and forms of production have been used by the armed forces engaged in economic building, such as the forces which participate exclusively in building industrial, agricultural, and communications projects for the state and army; national defense enterprises which turn out products for national defense while devoting adequate capacity and technical labor to producing consumer and export goods; and combat forces which devote a reasonable and adequate amount of time to production and construction work for the benefit of each unit, of the whole army, and of various sectors and localities. The armed forces' economic building and production activities have been geared to and aimed at satisfactorily fulfilling the objectives of productivity, quality, and efficiency and achieving greater progress with each passing year. Many army-built projects have been highly appreciated by the sectors concerned and many army-made products have won the confidence of consumers.

To develop the results already obtained, the entire army must understand even more deeply the armed forces' economic building and production task, and all sectors, echelons, and units must show such an understanding in their thinking, viewpoints, and action. Suitable modes and forms of economic activities must be chosen to achieve the targets and directions set for each area, sector, and echelon. It is advisable to undertake medium- and small-scale projects, skillfully combine three technical levels--manual, improved, and modern mechanized -- make rational use of labor; promote high efficiency; and combine specialized laborers with mobilized and contracted laborers. The mechanism of economic management must be implemented, the system of socialist economic accounting and business applied, and joint ventures achieved widely inside and outside the army. Three kinds of measures--educational, administrative, and economic--and different interests must be harmoniously associated with due attention given to the working people's interests. Adequate efforts must be concentrated on export activities. All economic activities must be aimed at achieving high productivity, quality, and efficiency, beefing up the army's fighting strength, and promoting economic building.

/8309 CSO: 4209/290 ECONOMIC PLANNING, TRADE AND FINANCE

RICE CONTROLLED TO PREVENT BOOTLEGGING IN DISTRICT

BK120200 Hanoi Domestic Service in Vietnamese 2300 GMT 11 Feb 86

[Text] There are nearly 100 households in Ninh Phuoc District which specialize in bootlegging, using around 1 metric ton of rice per day. The district authorities have controlled all those who deal in rice and have banned bootlegging. Some 23 out of 38 private rice mills have been placed under the managerial control of cooperatives to mill rice for the members.

Private merchants dealing in grain in Phuoc Huu, Phuoc Thuan, and Phuoc Tan villages have been satisfactorily transformed. The district authorities have also inspected and reconsidered the distribution of grain. Many cases of improper grain distribution have been detected. At the same time, an all-people movement has been launched to economize grain. In 6 months, some 35 metric tons of improperly districted grain have been saved.

The grain sector of the district has adopted many positive measures such as two-way barter to encourage peasants to deliver and sell their products to the state, and has purchased grain from peasants to prevent private traders from competing with the state in purchasing and selling grain.

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ECONOMIC PLANNING, TRADE, AND FINANCE

NHAN DAN EDITORIAL ON REDISTRIBUTION OF LABOR

BK130724 Hanoi Domestic Service in Vietnamese 2300 GHT 12 Feb 86

[13 February NHAN DAN editorial: "Redistribution of Labor"]

[Text] In addition to land and existing material and technical bases, labor is a valuable resource of the nation and an initial force in leading the country from the transitional period toward socialism. A rational distribution and use of labor is of strategic significance in our nation's socioeconomic task for the next decade. Our nation's labor force is abundant. We have more than 30 million workers for available production, more than 70 percent of them engaged in agricultural production. However, distribution of labor has not been conducted proportionally. In Thai Binh Province there are 1,075 workers to every 1 square km; in Hai Hung, 901; Ha Tuyen, 61; Cao Bang, 60; Lai Chau, 21; Son La, 36; Thuan Hai, 88; Gia Lai-Cong Tum, 26; Dac Lac, 27; Lam Dong, 44; and Song Be, 70. In each province, some districts have vast areas but with a sparse population.

Local redistribution of labor is a very important task in combining labor with the land, developing the agro-forestry-fishery and industrial structures, and expand more branches and occupations, thereby enabling the full use of all acreage and providing work for every worker.

We can immediately redistribute labor at each province and district with less expenses at present. In carrying out this task, we must not forget the mountainous and coastal areas in order to expand intensive cultivation to the old land and comprehensively develop agriculture, forestry, and fishery, thereby increasing the social product, improving local goods, and developing the economic strength of each province and district.

Generally speaking, we still have vast areas with a sparse population. These include the Central Highlands, mountainous region, and the midlands areas in the north. Areas in need of more labor are eastern Nam Bo and the Mckong River Delta areas. In these regions, we must strive to reclaim more virgin land, plant long-term and short-term industrial crops, plant trees, accelerate afforestation, and develop local products and industry.

Local redistribution of labor is aimed at balancing labor and the land on a nationwide-scale and developing each region to keep pace with the national development program. Distribution of labor is a great and very important

task. It is aimed at fully utilizing all natural resources of the nation, and is not merely a task of dispersing the population. As a result, we must carry out this task urgently and carefully based on the workers' voluntariness and various economic development projects. Mobilization of the people in densely populated areas to build economic zones is a very important task which we must carefully carry out. More importantly, those localities receiving workers must formulate concrete plans to welcome newcomers and make them feel comfortable and relaxed in a caring and united community of a unified nation. We must assure them that the place in which they are living has sufficient conditions for economic development, assuring a happy life for their family, and promising prospects for their locality and the nation.

The effectiveness of labor distribution is not counted on the success in mobilizing labor to build new economic zones. The most important aspect is the economic and social results—especially the increase of social products and the establishment of vegetable belts and newsly populated areas in localities. We must formulate a uniform socioeconomic plan for consistent implementation to resettle on a long-term basis those who come to build new economic zones.

Along with implementing various economic projects, we must pay special attention to maintaining material, technical, and social bases. We must build state-run and collective establishments, while developing the family and new economic zones' economy, improving the settlement of nomads, building more roads, schools, shops, and hospitals, thereby creating conditions for the people to stabilize their production and their daily life.

Redistribution of labor on a nationwide-scale is an urgent requirement. Each locality and each citizen must accelerate this important task so that each inch of land of the fatherland will bring prosperity to the nation and happiness to each family.

/12913 CSO: 4209/297

# ECONOMIC PLANNING, TRADE AND FINANCE

HO CHI MINH CITY PROGRESS IN REFORMING PRIVATE MERCHANTS

Hanoi NHAN DAN in Vietnamese 21 Nov 85 p 2

[Article by Tran Quoc Khai: "Ho Chi Minh City Reforms Private Merchants in Suburbs"]

[Text] The rural area on the outskirts of Ho Chi Minh City turns out a fairly large volume of products annually: 250,000 tons of paddy; 270,000 tons of vegetables of various types; 12,000 tons of pork; 20,000 tons of salt; 20,000 tons of shrimp and fish; and 10,000 tons of peanuts.

liberation, the private commercial network was Before households of large-scale bourgeoisie who were thick: rice barons and gangleaders, along with 13,839 small merchants who controlled the entire suburban market. Ten years ago, city simultaneously exerted efforts to build socialist trade forces and stepped up the reform of private merchants. 544 households of private merchants are involved in 86 stores a cooperative venture with the state. At district markets, most of the small merchants have been set up according to sector teams, serve as agents for state trade, or conduct business according to joint buying and selling or joint buying and separate selling. Paralleling reform of private merchants, socialist forces are continuously growing trade Precincts and districts on the outskirts of the city have built six consolidated retail sales trade corporations consisting of 40 stores, 426 selling sites, 104 market stalls, and 267 marketing cooperative dealers.

However, the reform of private merchants in the suburbs is still going slowly compared with agricultural reform, and the volume of farm products and foodstuffs the state can procure remains small compared with the real volume of production; socialist trade forces hold only 50 percent of the social market. The gangleaders, bosses, and rice barons still operate, causing many difficulties for market management. In Hoc Mon District, they amass in a day 20,000 tons of vegetables of various types; although the small merchant force has been reorganized, a number of them have continued to help dishonest merchants amass goods, hold goods back, hike prices, sell at wrong prices, underweigh, and bully customers.

Through the campaign to reform private merchants in the suburbs, Ho Chi Minh City has gained the following experiences: the strengthening of guidance by the district party committee and people's committee has a decisive effect on reforming and building socialist trade. State-operated and collective trade in any district making an effort will, with the regular leadership of the party committee, overcome many difficulties and entanglements. Building and developing socialist trade go hand in hand with stepping up reform of privately operated capitalist industry and trade. Build socialist trade at the village and hamlet level, be aggressive and flexible in forms of associated operations and connections between urban and suburban areas in order to expand socialist trade, give attention to training and strengthening ranks of cadres for district trade, and stabilize and specialize marketing cooperative management cadres.

## ECONOMIC PLANNING, TRADE AND FINANCE

# LETTING BASIC UNITS TAKE INITIATIVE IN PRODUCTION

Hanoi NHAN DAN in Vietnamese 28 Nov 85 p 2

[Economic Forum column by Pham Xuan Sac of the Ministry of Light Industry: "Reorganizing Consumer Goods-Producing Sector and Letting Basic Units Take Initiative"]

[Text] At present, the central and local organizing system applicable to the management of the consumer goods industry alternately varies between the two-level and three-level systems -- ministerial, enterprise union and enterprise levels -- and in a few special cases, the four-level system -- ministerial, enterprise union, joint enterprise and enterprise levels.

The ministerial level has gradually reduced its routine work and switched to work of strategic nature. The ministerial-level management machinery has been lightened, with many departments having no bureaus and cadres working in the style of technicians. The Ministry of Light Industry has reduced the size of its staff from 429 in 1975 to 232 persons in 1985. The unions of enterprises, which have been set up in accordance with economic and technical sectors, have gone into management of production and business and have assumed leadership, now coordinate and harmonize the activities of their member units, and at the same time help other economic units under local management, thus further expanding the initiative in production and business of the basic-level units.

However, the management system as it is organized today still cannot respond to the requirements of the new management mechanism.

Our industrial management machinery now is like a large pyramid, tall and broad (because it has so many levels and links). The science of organization has proved that the more levels and links a management machinery has, the lower its operating capacity will be, with information being misrepresented, distorted and kept too long by different levels.

In the reality of management, many unofficial levels, such as departmental, committee and bureau levels, have also appeared. Ordinarily, in order to reach the official levels one must go through these unofficial ones; for instance, if one wants to see a director, one must go through the professional affairs bureau, or if one wants to work with a ministry, one must go through the departments in charge. Furthermore, within these unofficial levels there are other sublevels -- the small pyramids (civil servants, heads of teams, deputy chiefs and chiefs of bureaus, etc.). To go through these unofficial levels often is the most difficult thing to do, for these days "a warehouse keeper is more important than a director."

If a management machinery has many levels, its authority must be divided among them, with each of these levels holding a part of the authority. Therefore, the more superior levels there are, the lesser the authority of the lower levels -- the basic level -- will be. Then it turns out that as we call for letting directors of enterprises take the initiative, not much authority is left for us to give to them, except for perhaps the authority to accept more work, more documents, directives and orders. Finally, enterprises themselves are the victims of the red tape "war." That is why a basic-level director has concluded as follows: "The basic level works until it is out of breath and yet cannot finish all of the work, nor clear all official documents."

The multilevel management machinery has been a misfortune for the basic level. At one level there are very many bureaus, committees and deputy levels that operate separately or overlap one another. Some organizations are set up without their goals and functions being clearly defined, and without any distinction as to their nature -- being a staff organization or an organization directly in charge of production and business. Such organizations have been in existence for many years, which is against the conclusion of organization scientists: "An organization without well-defined goal, function and responsibility is a cruelty and great waste -- it is a poorly-organized organization."

Since our management, science-technology and professional cadres are assigned in the upper-level section of the management system, the shop level where unusual production circumstances having to do with product quality, equipment and machinery and industrial procedures demand prompt handling usually is short of technical cadres; as a result, the scientific and technical force is separated from production and fails to serve the latter in time.

The above-mentioned situation demands that we urgently carry out the task of perfecting the management-organizing system in the consumer goods industry to achieve these goals:

1. To build a management-organizing system both showing a high degree of centralism and really extending initiative and creativity to basic units in production and business.

- 2. To build a new simple management system having few levels and links and eliminating the factors having to do with bureaucratic centralism and state subsidies in itself so as to abolish the old management mechanism and to adopt the new one.
- 3. To exploit all potential capabilities and to jointly use all of the different economic forces and components, with different production scopes and capacities, in the making of many good and attractive goods at reasonable costs, for the purpose of satisfying the ever increasing demands of the people, national defense and export. This is the last goal or last result of the new management-organizing system.

In order to reach this goal, we must first of all correctly determine that the basic-level economic units are an economic organization under the following conditions:

- The socialist state gives them limited ownership right regarding socialist properties, which they directly use to create material wealth for society.
- They fully adopt the economic accounting system and are where the initial accumulation for reproduction is achieved.
- The socialist state gives them full authority as a juridical person.
- They are the components that make up a certain economic and technical sector and the last section in the sector management system. Their superior or subordinate levels both are not basic-level economic units.

After we have correctly determined the basic-level units, we must really assign them the authority to take the initiative in production and business. The activities of both the management system and other services organs are directed at serving the basic level. The basic-level economic units have the right to deal directly with other economic organizations, without going through any intermediary level, if they find it necessary and advantageous. Their interests, including wages of leading cadres, workers and civil servants, are closely linked with the results of their production and business.

About the scope of the basic-level economic organizations involved in the production of consumer goods, we must choose the medium and small sizes as our main interest and organize them on the basis of areas as the most rational way to let the basic-level units develop a capacity to manage themselves and to concentrate their energy on adopting new techniques and achieving expanded reproduction so as to create their own sources of capital.

In the organization of production and management, we must create favorable conditions for the basic-level units to link production of raw materials with the making of end product, to link scientific research with production, and production with consumption of products and with export-import. Among the basic-level economic units, the state enterprises must be considered the guiding force and must act as nuclei to attract other economic components as their satellites.

The basic-level economic units have the right to voluntarily join unions, joint businesses, federations and product groups whenever they find that these organizations bring them benefits. The state does not impose on them any upper-level organizations serving as intermediaries and forcing them to obey and to make contributions. To do so sometimes is a burden for the basic level. The state organizes only the mandatory unions in a number of key economic and technical sectors. The management-organizing machineries of basic-level units must be extremely compact, simple and effective, with a concentration of management cadres fully capable of organizing work and having good business ideas, technicians having practical skills in all of the occupations in the enterprises and very capable professional staff members, for the purpose of guaranteeing production of good-quality goods to keep up with market demands.

After we have organized basic-level economic units of the above-mentioned model, the upper-level management organizations must be changed in many aspects in order to suit the new management objective. In our opinion, in the consumer goods industry we should adopt the two-level management system as the main one; the three-level system is only for special cases. The basic level and the central level -- the former as mentioned above and the latter being a ministry in charge of managing production in one or more economic and technical sectors.

Some people think that in the case of two-level management, the ministerial organs have too many liaison bases and many organizations subordinate to them, with the management relations greatly surpassing their ability to handle information, which is against the theory on the scope of management. In our opinion, the numbers of subordinate levels and liaison bases involved also depend on many factors, such as the contents and nature of the work, space limits, management techniques, technical means used to handle information, and so on. Therefore, if the ministerial level can begin routine work while the basic level has not been reorganized, nor has its authority been extended, the two-level management will really encounter many difficulties. On the other hand, if we reorganize the basic-level units by keeping a moderate size, reducing the number of subordinate units and at the same time extending their authority, we will be able to resolve contradictions while reducing both levels and links.

After we have determined the function, contents and method of management, a ministry can manage one or more economic and technical sectors concerned. The ministerial-level organizing machineries will be compact and truly simple. We will need here capable head-of-sector technicians having the ability to study and uncover problems and to set forth different solutions and thus to assist the head of the ministry in making decisions. They must be people who can conduct general research, rather than cadres who just carry out the work. The management organ of a ministry must truly be an economic and scientific organ.

The industrial management organization in a locality (the Industrial Service) serves as the staff organ of the people's committee to assist the latter in doing administrative and economic management work in the locality, rather than a production and business organization, nor a management level having "to carry a committee on (its) head and seven ministries on (its) shoulders," as we have mentioned earlier. In this staff organ, which should be organized in accordance with the most compact model, we should have just a few economic and technical specialists. The Ministry of Light Industry is taking steps to gradually abolish the mechanism of bureaucratic centralism and state subsidies and to switch to the new management mechanism. In the field of organizing management, it is reviewing and considering again the functions and responsibilities of its departments in order to move toward fulfilling its function as the administrative and economic manager of the state. The unions of enterprises within the ministry are also being reorganized to make their machineries compact and effective.

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## ECONOMIC PLANNING, TRADE AND FINANCE

## STATE STORES URGED TO MAKE SHOPPING MORE CONVENIENT

Hanoi NHAN DAN in Vietnamese 28 Nov 85 p 2

[Article by Hong Khanh: "Shopping Made More Convenient Is A Requirement"]

[Text] The socialist commercial sector has made great efforts. Objective difficulties are plentiful, a fact the people fully understand. But changes in the sector have not yet kept up with demands in daily life. The mode of doing business changes slowly; particularly, it is not yet aimed at serving people.

The socialist commercial sector has not created as yet regular shopping convenience for consumers, which is most clearly reflected in these four aspects: One, about the goods it deals in, it is not yet interested in "miscellaneous" items which are very necessary for the working people's daily life. At present, in the meals of a family, the costs of vegetables, fruits and spices, which in most cases are bought in the free market, are not smaller than those of meat and fish. While there are only few low-cost restaurants and meals-serving stalls, hotels and food and beverage establishments mostly serve only wealthy people and pleasure seekers and mainly are for meetings and festive occasions.

Two, the locations of stores and counters still are rigidly based on population density rather than on the characteristics and nature of local customers' demands and tastes. In addition, stores and counters are located in inconvenient places where it is hard to get in and out, there is no place to leave one's bicycle, or bicycle lots with attendants are too far away; some stores, in the case they are inside markets surrounded by displays of privately-owned goods, do not have easy access for customers to bring their bicycles in or to leave them outside while doing shopping; and others are located amidst coal fields and very dirty muddy plots. For instance, Dong Da Ward (Hanoi), where there are more than 100 factories and enterprises, large and small, and many collective residential quarters, with tens of thousands of residents being workers and cadres, has a network of stores and counters, particularly the ones that sell the necessary fresh and raw items and provide services, being much more thinly spread out than that of Hoan Kiem Ward.

Three, about setting the time of sales, this is far from rational because manpower is not yet concentrated on serving customers in the peak hours, nor do working days cover all of the daytime hours. Before they go to work, workers and cadres seldom shop, but they wait until they are off from work in the late afternoon to do shopping. But many state stores and marketing cooperatives display in the morning better and fresher goods in larger quantities than in the afternoon. Another time that deserves attention is around 9 and 10 o'clock in the evening, when in many municipalities and cities passengers from trains, guests from theaters, clubs, soccer games, etc., at the end of a day's activities, pour into streets, with quite a few of these hundreds of thousands of people wanting to stop somewhere before going home to have a drink, to eat a bowl of soup, and so on, or in case of flat tires or other problems happening to their bicyles and motorcycles, having to look for a place to fix them. But in these hours, no socialist commercial stores remain open; they seem to let private business people totally take over and operate. Of the grain and foods used by private food and beverage establishments each day, in Ho Chi Minh City totaling about 54 tons of rice, 9 tons of wheat flour, 9 tons of glutinous rice, 15 tons of fowls, 20 tons of meats, and so on, and in Hanoi about 10 tons of rice, 10 tons of pork, beef, buffalo meat, fowls, and so on, a large quantity is consumed in these hours.

Four, about the manners of sales people, quite a few of them show overbearing, arrogant and egoistic attitudes and no respect for customers. When they have a rather abundant quantity of certain kinds of goods, the prices of which are not much lower than prices of the same in the free market, they cheerfully and politely invite people to buy them, but when their goods are in small quantities and there are many buyers, with prices being much lower than those outside of their stores, they behave as if they do not care about customers or do them a favor. Some sales people also take advantage of this situation to try to steal, to raise prices, to work with "dealers" by replacing the state goods with "inferior" goods, to let their relatives and acquaintances have the more delicious and better parts and to cheat while weighing or measuring.

An 8-3 Textile Mill woman worker, who has two children and whose husband works away from home, had this to say: "To be truthful with you, I now shop in socialist commercial stores only because of two things: one, the responsibility of citizens for helping the state to get hold of goods and money and to struggle for transforming private business people; two, the lack of bargaining about prices. As to the comfort, convenience, fairness and honesty we customers should get, they are still nonexistent; sometimes, we feel as if we come to beg, to ask for a favor and lose our ownership right, even though the goods are made by workers like us. Therefore, sometimes if we feel we get too much trouble or if the goods are not very good, we have to buy them from private business people."

Some people think that in the present situation, since goods are far from plentiful, a great imbalance exists between supply and demand and the management mechanism and business policies remain to be revised and perfected, the socialist commercial sector can hardly create regular shopping convenience for consumers. This opinion is to some extent correct, but in reality it is not totally so. Some localities have shown that being in the same location and situation in terms of sources of goods, the material and technical base and professional capacity, and getting the same leadership from the party committee and administration echelons, some of their stores succeeded in creating regular shopping convenience for consumers in a manner that clearly surpassed other stores. For instance, General Store No 2 (5th Precinct, Ho Chi Minh City), which used to have very few customers, has succeeded in "attracting" the majority of customers from nearby Cho Lon lately, has nearly 4,500 items regularly on display and achieves daily turnovers of millions of dong. In this store, the working people can buy all kinds of goods, from sewing machines and bicycles to pads made of dried melon fibers for washing dishes and rags for floor cleaning. After buying materials, customers can have clothes made by its team of tailors. After buying coffee beans, those who need roasting, grinding and on-the-spot coffee making to enjoy the coffee and to evaluate its quality can be served by a team that readily fulfills customers' needs. Those who have to go to work and do not have time to go home to cook can get a meal, soup and beverages in the store. Customers who come here can buy all of the household items without having to go to many other places to shop. Or Thuy Ai Grain Store (Hai Ba Trung Ward, Hanoi) regularly calculates and distributes rice and noodles among all of the households it is in charge of, thus saving waiting and shopping time for the working people, who can feel reassured and devote their time to productive work. food and beverage store in Ben Thuy (Nghe Tinh Province) serves passengers traveling the north-south road, who can be served at any time (from 0500 hours to midnight). Then the stores of the marketing cooperatives in Tay Giang (Thai Binh Province), Hao Duoc (Tay Ninh Province), Duy Hoa (Quang Nam-Da Nang Province), Hai Xuan (Quang Ninh Province), and so on manage to take care of the working people in time and let them buy anything, from seeds, hogs, needles and bo ket [Gleditsia fera] used as shampoo to meals served in the fields on busy working days. A common lesson learned from these installations indicates that all activities, such as organizing, educating people, applying the economic lever, and so on, first of all originate from the need to ensure for the working people direct shopping in a fast, convenient, honest and comfortable manner.

Our country as a whole currently has about 40,000 stores, large and small, of the state-operated commerce and marketing cooperatives, consisting of more than 500,000 cadres and civil servants (including those of the domestic trade, grain, sea products and services sectors), or equal to about 60 percent of the duly registered private business people. If all of these stores do their very

best to create regular shopping convenience for consumers, not only will they actively contribute to transforming and managing the market, but the time saved each day by tens of millions of working people will also add up to having a considerable time fund for stepping up production. This will also be a basic factor to ensure expanding the business and services of the socialist commercial sector.

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#### AGRICULTURE

PROMPT SUPPLY OF FERTILIZER URGED FOR WINTER-SPRING CROP

Hanoi NHAN DAN in Vietnamese 21 Nov 85 p 1

[Editorial: "Promptly Supply Material and Fertilizer for Winter-Spring Production"]

IText] Requirements for technical material, inorganic fertilizer, insecticide, fuel, etc., first and foremost, are greater in quantity during the winter-spring crop than during the summer-fall and tenth-month crops. Supplying material to production installations is the important factor contributing to boosting crop yields and the volume of production. Applying fertilizer exactly when needed and having insecticide to eradicate insects harming rice exactly when needed will improve the effectiveness of the material used. Consequently, agricultural material should be supplied in sufficient amount, the right quality and type, and on time. The formula for supplying agricultural material is to be one step ahead, which means that material provided before the season and paid for after the harvest will make production units and laborers take the initiative in production.

In several production crops recently, the agricultural materials sector has joined with a number of localities, factories and enterprises to tap all sources of material within the country and, at the same time, changed arrangements for receipt of imported materials, opened additional ports in coastal provinces, and imported tens of thousands of additional tons of inorganic fertilizer of various types as well as other materials to directly support localities in the region. Materials, inorganic fertilizer first of all, are moved from secondary ports to districts and provinces near the ports more quickly and promptly to support agricultural production. In general, for every 10,000 tons of material moved from secondary ports to production installations, the material sector cuts 120,000 dong (new currency) in transportation compared with transportation from main ports. Instances of materials being transported slowly or being piled up in the months at the end of the crop or end of the year are starting to be overcome. Cargo handling is faster than There is coordination between the agricultural sector and the communications and transportation sector in transporting material and using the means of transportation, opening many

additional sea lanes, and ensuring that materials adhere closely to the requirements for the agricultural season. Measures for transporting agricultural materials directly from the warehouses and ports of the central government to districts, tried in a number of localities, have had good results.

During the first months of 1985, the agricultural material sector exerted efforts to supply nitrate fertilizer, phosphate fertilizand a number of other supplies such as insecticide and all regions in the country. Some shortcomings in supplying material still exist, however. The supply of fertilizer remains slow and uneven. In most of the mountain provinces, materials do arrive at production installations on time. Fertilizer materials are not under unified management. The creation sources of material, especially domestic sources, is still Supply units do not fully realize their position and responsibility, and do not actively, together with production installations, hold discussions in order to adhere production schedule.

promptly support the winter-spring production crop, agricultural materials sector should expand the form of economic linkage with sectors of the central government, the localities and districts in order to create more and more sources of goods daily and improve methods of material supply and transportation in order to deliver material in the right amount, measures quality and type to production units. It should abolish unessential levels and intermediaries to ensure that materials are transported directly to production installations by the shortest way possible and to promptly meet the requirements of production units. It should struggle to overcome authoritarianism and partiality, and acts of skimming and corruption in materials, which cause trouble and losses supplying production units. For the immediate future, we should have a firm picture of the material and fertilizer requirements for each locality, each district, and each installation, and have more positive measures in order to ensure the highest level of balance for the production plan. Of special priority is fertilizer grain crops, especially rice in key areas and export crops, the priority transportation of materials to flooded areas.

The result of intensive cultivation to boost crop yields and the volume of production is the most precise yardstick for evaluating the overall effort to supply material for production.

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AGRICULTURE

#### BRIEFS

HAI HUNG AGRICULTURAL PRODUCTION-Hanoi VNA 9 February-Hai Hung Province is a major rice growing area in the Red River Delta. Capitalizing on the fertility of its soil, the province has of late added a winter crop to most of its double-cropping rice fields. It divided nearly 146,00 hectares of its cultivated land into three categories: light, average and heavy soils, and on this basis it has restructured the crops according to a number of formulas depending on the fertility of the soil and the farming habit of each locality. In addition to spring and autumn rice, a ricefield can be grown with one additional crop such as soybean, ground nut, potato, sweet potato, kohlrabi, cabbage or tomato. Statistics in recent years show that in normal weather and soil conditions of the Red River Delta a hectare yields 3.9 tons of spring rice and 2.9 tons of autumn rice. [Excerpts] [Hanoi VNA in English 1453 GMT 9 Feb 86 BK] /12913

cso: 4200/694

### HEAVY INDUSTRY AND CONSTRUCTION

HO CHI MINH CITY TO IMPROVE POWER DISTRIBUTION

Hanoi NHAN DAN in Vietnamese 28 Nov 85 p 2

[Article by Phan Toan: "Ho Chi Minh City Improves Power Distribution"]

[Text] The Electric Power Service of Ho Chi Minh City is taking a series of measures aimed at improving power distribution. The network of transformer stations is being improved to overcome the situation of overload and outage. Small transformers are replaced with units of greater output. Sixty-four overloaded transformer stations were corrected, with an obvious increase of efficiency in power distribution and reduction by one-half of the time of power cut. The municipality repaired the network of transmission lines and poles, restored the fuse system that protects the 15-KW midsection lines, replaced the broken poles and porcelain insulators and conducted periodic inspection of transformers. As a result, this year the numbers of transmission line and transformer breakdowns have decreased by 10 percent compared to last year.

Changes have also taken place in the management and distribution of power. The Electric Power Service set the power distribution norm for districts to fulfill; districts assigned it to subwards, which had to set the power consumption norm for neighborhood teams to fulfill so as to facilitate management.

Many measures have been taken to avoid unlawful use of power. Losses in the low-tension sector due to such uses of power dropped from 30 to 10 percent. The unit that checks, installs and removes meters has been consolidated and has improved its working method.

Inspecting, repairing and removing meters now is done at the same time, rather than separately as it used to be done. The Electric Power Service has built 14 transformer stations with a total output of 810KVA as it was paying attention to rural electrification. This year the rural areas have an additional 10 million kilowatt-hours of electricity, which helps to increase watering to 3,000 hectares, including 1,500 hectares of peanut for export in Cu Chi.

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#### TRANSPORTATION AND COMMUNICATIONS

#### HANOI BROADCASTING SYSTEMS EXPANDED

Hanoi HANOI MOI in Vietnamese 3 Jan 86 p 1

[Text] The loudspeaker and radio broadcast networks of the city were markedly expanded in 1985 in support of efforts to promote education, construction, and defense in the socialist capital.

The Construction and Repair Enterprise of the Hanoi Broadcasting Station installed 4,500 more family and public speakers and 20 km of new wire and repaired 310 km of old wire (twice as much as last year). Sound quality was raised by such technical measures as replacing steel wire with copper-covered steel wire, replacing old speakers, and raising voltage on long lines (from 480 volts to 960). Within the city limits and in Son Tay City, there are 27 subward stations in a total of 83 subwards. In Ba Dinh Ward alone, all 15 subwards have their own broadcasting stations.

In the rural Hanoi, four more districts are preparing shortwave FM broadcasting stations, bringing the total up to seven stations.

Thus, nearly 80 percent of all villages have implemented the voices of four levels and 30 percent of all subdistricts have implemented the voices of three levels, bringing the voices of the party and the government to each place and facilitating centralized guidance of all efforts.

Hanoi Broadcasting Station recently reviewed efforts of 1985, evaluating accomplishments achieved and clarifying the direction of efforts for 1986 in order to make achievements to welcome the Sixth National Congress of Party Delegates and Municipal Party Committee Congress.

Attending and speaking at the conference, Comrades Le Quy, vice chairman of the Central Radio and Television Committee, Tran Hoan, head of the standing committee of the Municipal Party Committee's Department of Propaganda and training, Nghiem Chuong Chau, vice chairman of the Municipal People's Committee praised the new efforts of Hanoi Broadcasting Station and pointed out things to be done better so that radio and television broadcasts in the capital will respond more and more every day to the educational and artistic needs of each family and each class of the people.

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## TRANSPORTATION AND COMMUNICATIONS

HANOI TO HAIPHONG INSPECTION STATIONS SLOW TRAFFIC MOVEMENT

Hanoi NHAN DAN in Vietnamese 21 Nov 85 p 2

[Article by Thinh Giang: "Passing Through Inspection Stations on the Hanoi-Haiphong Route"]

[Text] There was a time when drivers and passengers on Route 5 (Hanoi-Haiphong) complained a great deal about the trouble caused by and the arrogant nature of some of the people who conduct inspections at inspection stations.

Along the road, in addition to intersector inspection stations (consisting of military, traffic police, tax, and market management inspection forces), are many more traffic inspection stations belonging to the public security, the communications passenger enterprises, etc. Some districts have set up service, inspection station of their own within the district limits. some trips from Haiphong to Hanoi, a vehicle must stop times (at the Cai Tac, So Dau, Quan Toan and Kilometer Marker 21 to travel the 21 kilometers under the jurisdiction stations) Haiphong. Because of the excessive number of inspection stations which has caused traffic jams, vehicles going from Hanoi Haiphong or vice versa take 4 to 5 hours to travel on a road just 110 kilometers long. It usually takes approximately 5 to 10 minutes each time the vehicle stops for inspection; many times takes 15 or 20 minutes, making many people miss work. to mention while stopped the vehicle's engine is still that wasting a fairly large amount of fuel. Then the attitude of the inspector is improper as well. which disconcerting to the passenger.

To reestablish order and control on the lines of communications, localities and inspection stations have reorganized, prosecuted a number of violators, and again issued stipulations on inspection and control. According to general stipulations, there can be only three intersector inspection stations on the road from Hanoi to Haiphong (Cau Chui, Nhu Quynh and Quan Toan). Other traffic inspection stations are only responsible for maintaining order and handling traffic violations or accidents at places far from the intersector inspection stations. The operation of the intersector inspection station is under the direct unified guidance of

the provincial or municipal people's committee. The chief of the is appointed by the provincial or municipal people's station committee and is responsible for conducting the business of the The members of the station, whether they be from the station. armed, public security, tax or market management forces, are all the overall supervision of the station chief in the course business and perform their duties in close cooperation with This type of operation in and under the scrutiny of each other. effect reduces the amount of inspection time and puts an end to negative behavior such as taking bribes, displaying arrogance, causing trouble for the people. Under this new operational mechanism, inspections at the intersector inspection stations have gradually been straightened out and trouble for passengers and drivers has been reduced. Comrades Hai and Cuong, the drivers licensed vehicle 15A-01-27, and the drivers and assistant drivers for vehicles 15A 51-25 and 15A 42-17 which belong to the Haiphong Bus Enterprise have all acknowledged that inspections on Route 5 have undergone many changes and are quicker and less Since the beginning of the year, personnel at the troublesome. Toan station have on more than 30 occasions refused bribes Ouan dishonest merchants and discoverd a number οf shipments of smuggled goods. The Nhu Quynh inspection station (Hai Hung) has, through inspection, reclaimed for the state amount of goods circulating illegally which was valued millions of dong as well as considerable grain. Inspection and control are essential.

Cutting back on inspection stations and reunifying the operations of the intersector inspection station have started to bring positive results. There still are, however, many problems which need to be examined in order to be resolved. First, intersector inspection stations all perform the task of ensuring traffic safety, market management and tax collection in accordance with overall state policy. Nevertheless, each station within the provincial or municipal limits is under the supervision and control that provincial people's committee. Such a stipulation totally correct, but regrettably it has an effect on the extent accommodation between state policy and local stipulations. For example, virtually all the provinces encourage an "open door" for goods coming in and "tight controls" on goods going out. the road from Haiphong to Hanoi, there is an "open door" goods passing through the Quan Toan station (Hai Hung) goods (e.g., rice, foodstuffs, industrial goods) are entering the municipality from Hanoi and Hai Hung. But if the vehicle leaving the municipality it is carefully inspected, from agricultural products to industrial goods and agricultural Up the road, the Nhu Quynh station (Hai Hung) has an supplies. to attract goods other provinces are forbidden "open door" Conversely, it prohibits types of goods other bring out. The same "open" provinces need from leaving the province. "prohibited" holds true everywhere. Ultimately, goods do circulate, creating the "prohibit the market, block the river" situation. Therefore, there should be an overall policy and coordination among the localities so the circulation of goods is normal. If goods are illegal, all localities are prohibited from carrying them; if they are normal, the "open door" should apply everywhere.

Second, the coordination of inspections at the stations is not uniform or smooth and the processing time is too long. Phong, deputy chief of the Quan Toan inspection station, states: Many times the owner of goods has to pay twice for the same goods, once when the market management inspection and the report on the fine has been filled out, and again during the tax inspection when the tax collection report is written up. Or many the station arranges to hold inspections at other sites. inspections still go on at the station's permanent site. vehicles have to stop several times on a short stretch of Passengers hope that, on one trip, there is a receipt or road. paperwork where the inspection and processing are done so that at the next place, if there is an inspection, processing won't have be done one more time. It is not as a source of income for for each locality that continuous inspections and processing come about.

Third, due to the recent implementation of new transportation charges, the passenger volume and passenger vehicle density have But the volume of small merchants engaged in business not (according to investigations by the Nhu Quynh station, small merchants account for 55 percent while cadres, troops and people traveling account for 45 percent). Due to the large volume of small merchants and the many goods they are carrying, it long time to conduct inspections and do the processing which causes a general inconvenience to the people. Also because transportation charges have increased, many passengers switched to "hitchhiking" on trucks (cheaper). With a volume each day of more than 2,000 vehicles of various types, including passenger vehicles which account for less than 10 inspection stations can only inspect approximately 200 vehicles (10So, with a large volume of trucks percent). carrying passengers and goods that cannot be inspected or processed, the state cannot manage and collect the amount of money resulting from improper truck transportation.

According to monitoring by the Niem Nghia port (Haiphong) and the Long Bien port (Hanoi), and hearing the views of the comrades at the Nhu Quynh and Quan Toan inspection stations, if the bus enterprises kept the vehicle density as before (Hanoi-Haiphong, between 20 and 25 trips a day; now only 8 or 9 trips), the number of passengers aboard the buses would be less, inspection would be faster, less passengers would be traveling by truck, and prosecution of traffic safety violations would be avoided. As a result, vehicles which are "yoked" at inspection stations would not be "backed up" for long.

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CSO:

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